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Abkhaz Conflict Continues; State of Emergency in Tbilisi

As Georgian troops continue to arrive in the western Georgian region of Abkhazia, Moscow TV reports that the Georgian troop commander reportedly promised "to leave the entire Abkhaz nation without descendants" and "to sacrifice 100,000 Georgians to annihilate 97,000 Abkhazians" if Abkhaz units do not "cease their resistance."

The president of the Confederation of Mountain Peoples of the Caucasus issued a decree urging "armed resistance" against the Georgian "aggressors" in Abkhazia and noting that "all persons of Georgian nationality on the Confederation's territory are declared hostages", reports NEZAVISIMAYA GAZETA.

Moscow TV reports that a state of emergency was declared in Tbilisi.

Yeltsin Urges End to Georgian-Abkhaz Fighting

ITAR-TASS reports Russian President Boris Yeltsin today sent a message to the leaders of Georgia and Abkhazia, calling on them to immediately "cease combat operations and launch a dialogue in the name of achieving peace." According to the report, Yeltsin urged the leaders "to show statesmanly wisdom and a sense of responsibility for the future of your peoples."

Chinese Defense Minister Meets Russian Officials

ITAR-TASS reports that visiting Chinese Defense Minister Qin Jiwei met Russian Defense Minister Pavel Grachev in Moscow 25 August, "the first time" the Russian military leadership met "an official foreign delegation at the defense ministerial level." According to the report, the two ministers "discussed the development of bilateral relations in the military and military technical areas, including further arms cuts in the Asian-Far Eastern region, military scientific and military cultural cooperation, as well as the possibility for delivering Russian weapons (MiG-27 airplanes and air defense complexes) to China." The issue of troop deployment along the Russian-Chinese border was also discussed.

Qin Jiwei also met with CIS Commander in Chief Yevgeniy Shaposhnikov to discuss military cooperation.

Ukrainian President Interviewed on Independence Day

Moscow Radio carries an interview with Ukrainian President Leonid Kravchuk on the republic's first anniversary of Ukrainian indepence. Kravchuk comments on the putsch of 1991, relations with Russia, the surrender of the Ukrainian government-in-exile's powers, and the economic situation.

'Expert' Interviewed on Nuclear Arms Cutbacks

PM2508123792 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 92 p 3

[Interview with Gennadiy Khromov, Russian Federation Ministry of Industry expert on arms control questions, by unidentified correspondent; place and date not given: "Strategic Offensive Weapons Cuts. Will Russia's Interests Be Infringed?"—first paragraph is introduction]

[Text] The problem of strategic offensive weapons cuts is not just a central issue in mutual relations between Russia and the United States. In essence it also determines world stability as a whole. The editorial office asked Gennadiy Khromov, an arms control expert with the Russian Federation Ministry of Industry and formerly a delegation member at the nuclear and space arms talks with the United States, to comment on the current state of affairs in this sphere.

[KRASNAYA ZVEZDA] First of all, Gennadiy Konstantinovich, we would like to hear from you when we can expect the Treaty on the Reduction and Limitation of Strategic Offensive Weapons to come into force. After all, it is already over a year since it was signed, and it still has not been ratified.

[Khromov] Indeed, this extremely important treaty has not yet come into force. The changes that took place in the former USSR after it was signed were the main reason for the delay in its ratification.

A bilateral Soviet-U.S. treaty has essentially turned into a five-sided one. The commitments that the USSR took on have now been assumed by Russia, and also by Ukraine, Kazakhstan, and Belarus, on whose territory the strategic offensive weapons are currently deployed.

A number of issues connected with mutual understanding between the states that used to constitute the USSR had to be reviewed. The most complex was the problem of guaranteeing the nuclear-free status of Ukraine, Belarus, and Kazakhstan. But this has finally been resolved as of today. These three states expressed their readiness to accede to the 1962 Treaty on the Nonproliferation of Nuclear Weapons as nuclear-free parties in Lisbon 23 May 1992. The way was opened to complete the legal formalization of the Strategic Offensive Weapons Treaty—the ratification of this document by all participating states.

The U.S. Senate states that we can expect the treaty to be ratified in the United States as early as September. There are grounds to believe that here in the CIS countries the ratification process will be over by this fall. Then we can proceed to its full-scale implementation.

At this point it should be noted that many of the treaty's provisions are already operating. Ballistic missile launches are taking place, as the treaty requires, without encryption of telemetric information, both sides inform each other of the technical specification of their weapons, and comply with the prescribed quantitative limitations.

[KRASNAYA ZVEZDA] How does the treaty signed 31 July 1991 square with the new agreements reached at the June summit meeting in Washington?

[Khromov] At the moment these documents are in different "weight categories," figuratively speaking. The Strategic Offensive Weapons treaty has already been completely formalized and could come into force in a month or two. However, the framework agreement signed in Washington—regarding further cuts in strategic offensive weapons—is basically and for the time being just a "protocol of intention" which will be converted to the format of an international legal treaty document in the course of upcoming talks. Moreover, an understanding exists between the parties that no new treaties on further cuts in strategic offensive weapons will be brought into force until the 1991 Strategic Offensive Weapons Treaty is ratified.

However, as the parties have agreed, this new treaty (or agreement) will envisage deeper cuts in strategic offensive weapons. But this is already the next stage. And as far as "superimposing" one treaty on another is concerned, this is entirely permissible from a legal point of view.

[KRASNAYA ZVEZDA] Following the signing of the framework agreement in June, mass media reports both in our country and in the West spoke about the unequal terms it dictated for us and for the United States. Is this the case, are there grounds for making these claims?

[Khromov] It is well known that the June agreements, unlike the treaty signed earlier, envisage deeper arms cuts: Down to 3,800-4,250 weapons (instead of 6,000) over a seven-year period, and down to 3,000-3,500 weapons by 2003.

All this has basically been presented correctly: Arms levels are coming down toward the limits of reasonable sufficiency At the same time the types of weapons that threaten the other side most of all—the ones termed destabilizing weapons—are being cut back in particular, in our case the heavy RS-20 missiles, often denoted by the designation SS-18, and on the U.S. side the Trident-2 SLBM's and so on.

As has been noted in the West, the level of mutual understanding that already exists in the political sphere has finally been reached in the security sphere. At the same time it seems that, for the time being, elements of inequality have indeed been enshrined in one way or another in the framework agreement. Elements that infringe our country's security interests somewhat.

But this is admitted even by representatives of the Pentagon, who state that, despite the agreement, all U.S. plans are inviolable (including the potential to conduct nuclear tests and to develop SDI), and by their very nature the cuts are more favorable to the United States.

Unless amended in the course of turning the framework agreement into a full-scale treaty document, and while naturally preserving the basic provisions of the agreement, this state of affairs will lead not just to a serious upsetting of the balance of power, but could also force us to bear substantial additional costs. And this is no gift for our already dumbfounded people.

[KRASNAYA ZVEZDA] Could you cite just one example of this unequal approach?

[Khromov] In Russia's case, it is planned to carry out the bulk of the additional cuts in the total number of weapons as specified in the framework agreement by completely doing away with the 154 RS-20 (SS-18) heavy missiles that will remain after the implementation of the main Strategic Offensive Weapons Treaty (under this agreement alone the number of weapons is being reduced by 1,540). Moreover, we are not just talking about a reduction in the number of missile-borne weapons, as is the case in respect of the U.S. Trident-2's, but about directly raising the issue of eliminating absolutely all our missiles. Not just the missiles, but also their launchers. Thus the entire infrastructure connected with these weapons is being eliminated.

There is one other issue that crops up in connection with the proposed option for resolving the RS-20 missile problem. The question arises as to why the launchers need to be destroyed if it is easier and cheaper with slight modification to mount single warhead missiles on them—the very weapons we are supposed to have after all the cuts have been made under the terms of the framework agreement. This would save billions.

[KRASNAYA ZVEZDA] How do these problems look in the United States, Gennadiy Konstantinovich? What solutions are envisaged there?

[Khromov] As far as the United States is concerned, it is planned to achieve the total levels set by the framework agreement mainly by reducing the number of warheads for Trident-2 missiles. This missile currently carries eight Mk-4 warheads (although the missile has also undergone flight tests with 12 warheads of this type). The Americans are planning to have a total of 432 such missiles on 18 submarines, in other words 3,456 warheads.

So it is planned to remove four warheads from each of these missiles (in other words a total of 1,728 will be removed). There are no plans to scrap these warheads. They might be stored next to a pier where a submarine is moored. In which case the original set could be brought back into service within a matter of hours, owing to the fact that there is a special rider to the framework agreement preserving untouched the mounting [platforma] on which the warheads are fitted in the missile.

Some may reproach me for adhering to the old way of thinking, and for being overly suspicious: Nobody, they say, can return to the past and the arms race. But the fact of the matter is that a concept like stability—and nuclear weapons cutbacks are made primarily in order to increase stability—is associated not just with a reduction in the number of nuclear warheads, but also with the elimination of the potential to accumulate weapons. But in its present form the framework agreement is a long way from achieving this goal in its entirety.

And finally, when will we start to count the cost? The rich Americans have made a special stipulation that the mountings on missiles that enable warheads to be fitted should be kept. They have stipulated this because in a normal partnership, when the interests of both sides are taken into account, logic dictates that these mountings should be destroyed and new ones should be manufactured that are designed purely for the reduced number of warheads. But all this costs money! They are counting literally every cent!

I would like to hope that in the preparation of the treaty document based on the framework agreement, the two sides' economic interests will also be analyzed in depth and taken into account. For us at least this is very important.

Yeltsin, Shevardnadze To Meet Caucasus Leaders

LD2608113392 Moscow Programma Radio Odin Network in Russian 1100 GMT 26 Aug 92

[Text] The meeting between Boris Yeltsin and Eduard Shevardnadze, with participation by the leadership of Abkhazia and the leaders of Russia's North Caucasus republics, will take place in Moscow tomorrow. This was announced by Vyacheslav Kostikov, the Russian president's press secretary. The situation that has taken shape in connection with the events in Abkhazia is expected to be discussed.

Grachev, Sarkisyan, Kitovani Talks Postponed

LD2508133492 Moscow ITAR-TASS in English 1318 GMT 25 Aug 92

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow August 25 TASS—A spokesman in the reception room of Russian Defence Minister Pavel Grachev has told ITAR-TASS just now that a meeting between Grachev, his Armenian counterpart Vazgen Sarkisyan and Georgian State Council Deputy Chief and Defence Minister Tengiz Kitovani, which was expected to take place this evening, was postponed for a later term.

The meeting was put off because of the holding of protocol events related to the Chinese defence minister's official visit.

Azerbaijani Minister Departs for Talks

LD2508154492 Moscow ITAR-TASS in English 1459 GMT 25 Aug 92

[By AZERINFORM correspondent Sevindzh Abdullayeva for TASS]

[Text] Baku August 25 TASS—Foreign minister of Azerbaijan Tofik Gasymov leaves for the Kazakh capital of Alma-Ata late on Tuesday [25 August] to attend three-partite talks on Nagorno-Karabakh. The negotiations were initiated by President of Kazakhstan Nursultan Nazarbayev who proposed to his Armenian and Azerbaijani conterparts, Levon Ter-Petrosyan and Abulfaz Elchibey, to broker an immediate cease-fire in the disputed enclave.

"I believe common sense will prevail. Azerbaijan remains supporter of a peaceful settlement of the Armenian-Azerbaijani conflict," Gasymov said.

On Wednesday the Azerbaijani foreign minister will meet his Kazakh counterpart to discuss an exchange of embassies and mutual relations, AZERINFORM learned from the Foreign Ministry.

On Thursday the three-partite meeting on Nagorno-Karabakh will begin.

Visa Accords Initialed; To Be Signed at Bishkek

PM2608120592 Moscow IZVESTIYA in Russian 26 Aug 92 Morning Edition p 2

[Mikhail Shimanskiy report: "We Will Travel Around the CIS Without Visas"]

[Text] Minsk—A meeting of leaders of the CIS countries' consular services has been held in Minsk. They discussed the aims and principles of the coordination of their actions.

It is a question of more efficient and continuous consular support for external ties in the political, economic, scientific, technical, cultural, and other spheres. In order to resolve these questions it is expedient to set up a consular council consisting of the leaders of the CIS states' consular services.

The participants in the meeting initialed two agreements. These documents govern the Commonwealth countries' consular regime. The first defines visa-free movement for CIS citizens within the Commonwealth. The second is on mutual recognition of visas by the participant states. The agreements will be submitted for signing at the next meeting of CIS heads of state in Bishkek.

Experts Discuss Agreement on Property Rights

LD2508202592 Moscow ITAR-TASS in English 1905 GMT 25 Aug 92

[By BELINFORM correspondent Larisa Lazar for TASS]

[Text] Minsk August 25 TASS—A working group of CIS experts met in their headquarters in Minsk on Tuesday [24 August] to discuss a draft agreement on mutual recognition of their rights to property, situated on the territory of other CIS states.

The meeting was attended by plenipotentiary representatives of 10 CIS member-states, except Azerbaijan.

The meeting was preceeded by fruitful work of CIS experts on the rights of ownship of social facilities. Representatives of seven countries signed an agreement on the problem, concerning the property rights to sanatoria, medical recreation establishments, recreation houses, children's hospitals and other facilities.

Nevertheless, Russia, which also signed the agreement, put forward a proposal to discuss social property problems as part of a general package of documents on property rights.

The current meeting of CIS experts in Minsk was convened as a result of the Russian initiative.

The Commonwealth of Independent States displays a great interest in the problem which is seen from a great number of documents delivered to the Belarusian capital by representatives from Russia, Kyrgystan, Uzbekistan, and Armenia.

Experts will have to analyse each of the proposed variants, find ways to bring the positions closer together and find an optimum compromise solution.

Yeltsin Urges Abkhazia, Georgia To Stop Fighting

LD2608071992 Moscow ITAR-TASS in English 0653 GMT 26 Aug 92

[By ITAR-TASS correspondent]

[Text] Moscow August 26 TASS—President Boris Yeltsin of the Russian Federation today sent a message to the leadership of Georgia and Abkhazia, calling on them immediately to cease combat operations and launch a dialogue in the name of achieving peace.

Yeltsin reaffirmed the invariability of his stand with regard to the unity and territorial integrity of Georgia, presidential press secretary Vyacheslav Kostikov told ITAR-TASS.

Having stated that Russia will take all necessary measures to stop attempts by armed detachments at penetreting the territory of Georgia, Yeltsin emphasised the need for an immediate cessation of hostilities, a withdrawal of troops, and the ensurance of human rights and legitimate interests of the Abkhazian people and other peoples of Georgia.

"I call on you to show statesmanly wisdom and a sense of responsibility for the future of your peoples. Your peacemaking efforts will have Russia's absolute support", the message points out.

Yeltsin, Shevardnadze To Discuss Abkhazia 3 Sep

LD2608082992 Moscow ITAR-TASS in English 0816 GMT 26 Aug 92

[Text] Moscow August 26 TASS—Russian President Boris Yeltsin and Georgian leader Eduard Shevardnadze will meet in Moscow on September 3 to discuss the latest developments in Abkhazia, presidential spokesman Vyacheslav Kostikov said on Wednesday [26 August].

The meeting will be attended by Abkhazian leadership, as well as by leaders of the North-Caucasian republics within Russia.

Justice Ministry: Mountain Peoples Violating Law

LD2508190192 Moscow ITAR-TASS World Service in Russian 1728 GMT 25 Aug 92

[Text] Moscow, 25 Aug (KRIM-PRESS-TASS)—The actions of the Caucasus Confederation of Mountain Peoples are a gross violation of the Constitution of the Russian Federation. The methods being used and the aims being pursued by the confederation place it outside the law, says a statement by the Justice Ministry of the Russian Federation circulated today.

The Confederation of Mountain Peoples has proclaimed itself a sociopolitical association, but in terms of the contents of its charter and the nature of its activity, it is clearly claiming the role of an organization called upon to substitute the legal bodies of state power, the statement says.

The anticonstitutional thrust of this organization shows through perfectly clearly: the attempt to create a parliament, defense council, and armed forces; the establishment of the post of commander in chief; and the adoption of documents calling for the commission of terrorist acts.

The Justice Ministry of the Russian Federation believes there is every ground for the General Procuracy of the Russian Federation to conduct an investigation into the activities of the leaders of the Confederation of Mountain Peoples and for the adoption of necessary measures to defend the constitutional system on the territory of Russia, the statement says.

As is well known, Musa Shanibov, president of the Confederation of Mountain Peoples, has issued a decree according to which all the staff of the confederation are required "to ensure the transfer of volunteers to Abkhazia for the armed repulse of the aggressors." An order has been issued "to enter into combat in the event of their being confronted by any forces."

The treaty on the creation of the Confederation of Mountain Peoples was signed on 15 November 1991 by representatives of delegations of 14 peoples inhabiting four former autonomous republics of the Russian Soviet Federated Socialist Republic (Dagestan, Chechen-Ingushetia, North Ossetia, Kabardin-Balkaria), and Abkhazia. At the present time the confederation includes representatives of 16 peoples.

Supreme Soviet Official Urges Abkhaz Compromise

LD2508165292 Moscow ITAR-TASS World Service in Russian 1531 GMT 25 Aug 92

[Text] Moscow, 25 Aug (ITAR-TASS)—Ramazan Abdulatipov, chairman of the Soviet of Nationalities of the Supreme Soviet of the Russian Federation, has called on Eduard Shevardnadze to sit down at the negotiating table and work out a treaty on delimiting powers between Georgia and Abkhazia. In a telegram which he sent today to the chairman of the Georgian State Council, he says in part that "the situation in Georgia, Abkhazia, and South Ossetia is exacerbating the already complicated position in southern Russia." Abdulatipov thinks that it is essential "to undertake political steps to urgently regulate events in Abkhazia." He considers that "compromise is essential" in this matter.

Official Discusses Conditions for Abkhaz Talks

LD2508140392 Moscow ITAR-TASS World Service in Russian 1337 GMT 25 Aug 92

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow, 25 Aug—An immediate cease-fire and the withdrawal of Georgian militarized formations from the territory of Abkhazia are necessary conditions for the beginning of talks, Russian deputies who returned to Moscow from the conflict zone yesterday think. They

visited Sukhumi, Gudauta (western Georgia), and Tbilisi, and met the leaders of Georgia and Abkhazia.

Delegation head Aleksandr Surkov, member of the Russian Supreme Soviet, stressed at a news conference today that "all questions must be decided by political and democratic means, excluding the use of armed forces."

At the news conference, the delegation released a statement saying that "the position adopted by the Confederation of Caucasus Mountain Peoples (as earlier reported, it has called for Georgia's aggression against Abkhazia to be repulsed—ITAR-TASS note) is drawing Russian armed irregulars into the Abkhazia conflict, thus creating a threat that the conflict will become international." The deputies demand that the Georgian and Abkhazian leaderships ensure the unhindered and free departure of Russian citizens, with their safety guaranteed.

The parliamentary delegation voiced their opinion of the Russian and other CIS defense ministries for organizing handovers of munitions and property in conflict zones in the former Soviet republics, describing such actions as "half-baked." They stressed that involvement of the military in conflicts in which civilians are being killed and wounded is amoral. Their statement calls on all organizations and citizens of Russia and world public opinion to send humanitarian aid to the people of Abkhazia.

State Secretary Burbulis on Abkhaz Situation

OW2508133292 Moscow INTERFAX in English 0942 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] The state secretary of the Russian President Gennadiy Burbulis has disclosed that the Monday [24 August] Security Council session in Moscow chaired by Boris Yeltsin discussed the situation in parts of Russia directly influenced by the conflict in Abkhazia. He told journalists before departing for Turkey on Tuesday that the Security Council focused on ways to stabilize the situation in Abkhazia considering the complex role of neighboring Russian territories.

He said that several decisions were made that will be made public later. He stressed that Russia respects the integrity of the Georgian state, but this not stand in the way of finalizing the status of the Abkhaz republic.

On his visit to Turkey the state secretary said that it has both symbolic and practical purposes. He disclosed intentions to discuss concrete questions of great significance for the two economies, specifically ferry communications between Russia and Turkey, gas supplies in the framework of older agreements and projects expanding the Istanbul agreement on Black sea cooperation.

Besides, Mr. Burbulis said the two countries intend to act together to stabilize the situation in Karabakh and Abkhazia. Though the political interests of the two countries differ, he said, their leaders unanimously call for stopping the bloodshed.

Among the purposes of his stay in Istanbul Mr. Burbulis named preparations for President Yeltsin's visit to Turkey. "Boris Yeltsin would want to make the visit this year, even though this would be very difficult".

Chinese Defense Minister Meets With Officials

Meets Grachev 25 Aug

LD2508113392 Moscow ITAR-TASS in English 1112 GMT 25 Aug 92

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow August 25—The new Russian military leadership is meeting for the first time an official foreign delegation at the defense ministerial level. Today the Russian Defense Minister, Army General Pavel Grachev, met his Chinese counterpart, Qin Jiwei, in the building of the Russian Defense Ministry in Moscow.

The two ministers discussed the development of bilateral relations in the military and military technical areas, including further arms cuts in the Asian-Far Eastern region, military scientific and military cultural cooperation, as well as the possibility for delivering Russian weapons (MiG-27 airplanes and air defense complexes) to China.

A set of problems connected with the deployment of troops on the Russian-Chinese border also came under consideration during talks in the Russian Defense Ministry.

In a conversation with journalists after talks, the Russian defense minister said the last problem proved to be "the most complicated". The thing is that Russian troops are deployed closer to the border than Chinese. This fact is explained by the proximity of the Trans-Siberian railway to the border. The problem is expected to be settled during the next, 8th, phase of the Sino- Russian talks in September.

On the whole, the two ministers described their talks in Moscow as "quite successful and productive". Colonel-General Qin Jiwei stressed the frank character of the talks.

The Chinese defense minister said in a statement for the press that the aim of his visit was "to further deepen mutual understanding between the two countries and their Armed Forces, to strengthen friendship and develop mutual relations."

Shortly before the meeting with his Russian counterpart, the Chinese defense minister laid wreaths at the Tomb of the Unknown Soldier and visited the Lenin Mausoleum.

Later today, Qin Jiwei is due to visit the military academy of the Russian general staff.

SU-27 Aircraft Sales Noted

LD2608002192 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 25 Aug 92

["Novosti" newscast video report by correspondent M. Aleksandridi with commentary by A. Ilichev]

[Excerpts] During the first 10 days of August Russia has already sold China 12 SU-27 aircraft and will supply another 12 fighters of this model in November, according to Defense Minister Grachev. He was speaking today after a meeting with his Chinese counterpart. The Russian and Chinese ministers failed to agree on the withdrawal of troops from the Russian-Chinese border, reports INTERFAX. The Chinese want the troops to pull back by 300 kilometers, but if that were to happen the Trans-Siberian Railway would remain unprotected and garrisons on the other side of the railway would have to be stationed in inhospitable taiga.

[Aleksandridi] In meeting Pavel Grachev in Moscow today, PRC Defense Minister Qin Jiwei began a series of talks which could lead to the mutual reduction of armaments and hardware in the eastern region, and also to bilateral cooperation in military technology and, in particular, sales of Russian weapons to China.

[Begin Ilichev recording] Following the collapse of the Soviet Union, China is more worried by the progress of democratic processes in Russia than the military threat from the north. [passage omitted]

Under previous contracts, China started taking receipt of SU-27 fighters. Supplies of SU-31 interceptors and T-72 tanks are expected. But, as one knows, China is also interested in other types of armaments—for air defense and the Navy. In a word, Russia is becoming a principal supplier of modern combat equipment to China. There are economic reasons at the basis of this new combat brotherhood. China pays in goods and hard currency—and this could bring Russia 3-4 billion dollars per annum. In their turn, Russia's big defense enterprises could avoid the unpleasant, from their point of view, consequences of conversion through winning new orders. [end recording]

Meets With Shaposhnikov

LD2608093992 Moscow ITAR-TASS in English 0920 GMT 26 Aug 92

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow August 26 TASS—Commander-in-Chief of the Joint CIS Armed Forces Yevgeniy Shaposhnikov met here on Wednesday [26 August] Chinese Defence Minister Qin Jiwei, currently paying an official visit to Russia.

The sides discussed important problems pertaining to the development of cooperation between the People's Liberation Army of China and the Armed Forces of states-parties to the CIS Collective Security Treaty.

ITAR-TASS was told by Lieutenant-General Valeriy Manilov, press secretary of the Supreme Command of the CIS Joint Armed Forces, that both sides displayed profound interest in promoting mutual understanding and cooperation in every domain and at every level. They stressed the importance of developing goodneighbourly relations between China and Russia, Kazakhstan, Kyrgyzstan, Tajikistan and other states of the Commonwealth, which have deep roots and longstanding traditions. The participants in the meeting believe there are very favourable prospects now for promoting such cooperation in the interests of peace and security.

Shaposhnikov told TASS after the meeting that the Chinese defence minister noted the integrating role played by the Supreme Command of the CIS Joint Armed Forces in military affairs. "I have faith in the Commonwealth of Independent States," he quoted Qin Jiwei as saying during the meeting.

Burbulis Ends First Round of Talks in Turkey

LD2508213292 Moscow ITAR-TASS in English 1944 GMT 25 Aug 92

[By ITAR-TASS correspondents Ivan Ivanov and Sergey Fyoktistov]

[Text] Ankara August 25 TASS—"Russia and Turkey are interested in transferring the highest confidence and mutual liking, currently fulfilled at the political level between our states, into a degree of responsible economic cooperation," State Secretary under the Russian President Gennadiy Burbulis, currently here on an official visit, said upon the completion of the first round of the Russian-Turkish negotiations.

Burbulis told ITAR-TASS today both sides to the negotiations "did their best to make practical and pragmatic businesslike decisions. This corresponds to the role and the status of our two states both in the regional, European, and world scale."

In this connection, the state secretary noted "the dynamics and sequence of the recent Turkish reforms coincide with the program of Russian transformations."

Burbulis said the negotiations are held on several sets of problems. The Russian delegation is making efforts to intensify cooperation in transport, not only the sea and automobile ones.

In the words of the state secretary, Russia is interested in involving the Turkish side in modernization of Russian ports.

Speaking on the continuation of political contacts between Russia and Turkey, Gennadiy Burbulis said these very states "carry the responsibility for the fate of the Istanbul agreement on development of the Black Sea

economic cooperation zone, to which a pragmatic and specific impetus should be given."

The first round of negotiations revealed Russian and Turkish common concern over conflicts in Abkhazia and Nagorno-Karabakh.

Asked about the delivery of Russian armaments to Turkey, Burbulis said "there is no reason to make it a big secret. We will sell arms, but it will not be trade with accidental partners and with unpredictable consequences."

Views Cooperation

LD2508212992 Moscow ITAR-TASS in English 1945 GMT 25 Aug 92

[By ITAR-TASS correspondents Ivan Ivanov and Sergey Fyoktistov]

[Text] Ankara August 25 TASS—Turkish Prime Minister Suleyman Demirel today received visiting Russian State Secretary Gennadiy Burbulis.

At the meeting, Demirel said Turkey always attached great importance to relations with Russia. Presently, new opportunities have emerged for expanding mutually beneficial ties between the two countries and they should be duly made use of. Demirel called for developing Black Sea cooperation which, he said, is of immense importance to the region as a whole.

Burbulis conveyed a verbal message to Demirel from Russian President Boris Yeltsin, expressing confidence that the present visit will become a new step towards strengthening relations between the two states, the groundwork for which was laid down by the heads of Russia and the Turkish Government.

Russia and Turkey were among the first to become aware of the changes that have occurred in the world lately and launched cooperation at a new level, to which new substance was added. This thesis was reaffirmed by both sides during the meeting between Burbulis and Demirel, a well informed source from the Russian state secretary's entourage told ITAR-TASS.

At the meeting, Burbulis and Demirel discussed a plan of the forthcoming Russian-Turkish top-level talks. The need was emphasised to pay particular attention to cooperation in power engineering as Turkey is interested in increasing Russian gas supplies. Emphasis was put on the expediency of developing business links in the field of sea and motor transport with the possible participation of Turkish representatives in modernising Russia's transport infrastructure.

The two also discussed the situation in the CIS flashpoints, specifically in Abkhazia and Nagorno-Karabakh. They examined the possibility of parallel actions by Russia and Turkey aimed at dispelling these conlicts. Burbulis reiterated that Russia abides by the principle of the integrity of the borders that formed in the Commonwealth. Demirel emphasised that ethnic issues should be solved cnly on the democratic footing.

Following the meeting between Burbulis and Demirel, the first round of Russian-Turkish talks began. The talks, involving delegations from the two countries, are expected to continue on Wednesday.

Discusses Arms Sales

LD2608080392 Moscow Radio Rossii Network in Russian 0700 GMT 26 Aug 92

[Text] Presidential State Secretary Gennadiy Burbulis continues his visit to Turkey. Our special correspondent, Andrey Krasnov, is on the phone from Ankara:

[Krasnov] Today is the second day of Gennadiy Burbulis' official visit to Turkey, and so far everything has gone according to protocol. However, curious details emerged on 25 August.

The fact of the matter is that among our delegation there is a General Mironov, head of armament of the Russian Army [nachal'nik vooruzheniy rossiyskoy armii]. Incidentally, Western agencies reported earlier that Turkey has decided to buy arms in Russia for the total sum of $300 million. The Turkish interior minister let it be known that the question is one of a whole package of military agreements between the two countries. Ankara intends to buy in Russia, inter alia, helicopters and armored vehicles.

During a short meeting with journalists, Gennadiy Burbulis admitted there was indeed a military issue at the Ankara negotiations. He refused, however, to name the exact figure in the possible armaments agreements. He also stated that in any case, Russian arms sold to Turkey will not find their way into the republics of the former USSR, areas of conflict.

On 26 August the official part of Russian state secretary's visit to the republic of Turkey continued. Events marking the 500th anniversary of the institution of trade relations between Moscow and Turkey took place. In 1492, Moscow Tzar Ivan III forwarded a personal certificate to Turkish Sultan Bayazid II, in which he stated the necessity to establish bilateral relations. It is this date that is deemed to be, historically, a starting point in relations between the two states. Five hundred years of trade is a very long record, Gennadiy Burbulis said, but even now we still have things to offer each other. Russia is interested, in particular, in increasing Turkish investment in its economy, while Ankara favors the continuation of exports of Russian gas and expanding bilateral contacts in the oil industry.

However, one should admit that the visit by Gennadiy Burbulis failed to arouse particular interest in Turkey. He was granted some polite attention, but no more than that.

This is Andrey Krasnov, reporting for the information service.

Foreign Ministry Statement on Baltic Talks

LD2408140292 Moscow ITAR-TASS in English 1330 GMT 24 Aug 92

[Punctuation as received]

[Text] Moscow August 24 TASS—Foreign ministers of Russia and Baltic states met on August 6, a spokesman for the Russian Foreign Ministry said. Information about reaction abroad to Russia's "package" initiative on the Baltics is contradictory, diverse assessments are offered, he said.

"In Washington, London and Paris Russia's readiness to complete the withdrawal of troops from Baltic states in 1994, provided an agreement is reached on a number of related issues, was received with satisfaction.

As for other Russian proposals, Russia's general position is viewed as constructive, although necessarily 'tough'.

Scandinavian countries regard the four-partite talks in Moscow as a positive sign testifying to a desire to reach compromise decisions. Awareness of the complex situation and the need to take account of the interests of all sides was recently displayed at a meeting of heads of Nordic countries on Bornholm Island.

Interestingly, a positive assessment of the Moscow meeting was given by a number of East European countries which discern the desire of the Russian leadership to seek a settlement on the basis of full equality and respect for mutual interests, on the basis of generally recognised international legal norms. It is interesting that against the background of discriminatory steps by Tallinn and Riga with regard to Russian-speaking population, as well as territorial claims made by them, a more critical assessment of the policy of Baltic capitals is evident.

A presidential stage can give a new quality to the process of unblocking complex interstate problems between Russian and Baltic states, which, hopefully, will lead to fundamental decisions on acute problems: ensuring international standards in the field of human rights in Baltic states, legal provisions for troops during the pull-out period, observance of the principle of inviolability of borders. However, such a turn must be carefully prepared, for which realism and common sense must prevail in the attitudes of our partners. In the meantime, the first reaction received by us—a note of the Latvian foreign minister—is, obviously, not directed towards a positive turn, for which the Russian side calls and which constitutes the essence and importance of the Moscow meeting on August 6.

In connection with numerous commentaries in the press and addresses by representatives of news media, it seems necessary to explain in more detail the issue of 'linkages' and 'interdependence'. The official position of the Russian side is that direct 'linkage' exists inside the third block of the Russian proposals dealing with military matters, namely: The withdrawal of Russian troops from the territories of Latvia, Lithuania and Estonia in 1994 will be completed only if agreements on several related issues are reached and implemented. The point at issue is nine articles included in the relevant military 'package'.

As for the three other blocks, there is no rigid 'linkage' between them and the military block. There is objective interdependence because they involve measures that, put together, make it possible to achieve a breakthrough in relations of the sides towards their normalisation and improvement. The essence and importance of the Russian proposals lie precisely in this breakthrough.

Finally, we cannot keep silence on attempts to ascribe to Russia power diplomacy. Now that the anniversary celebrations marking the August triumph of democracy in our country are held, it will be appropriate to recall that it was precisely the position of democratic Russia that paved the way to independence of Baltic states and that, inherently and on principle, it provides for renouncing the threat of use of force and any forms of pressure," the statement runs.

Foreign Ministry Welcomes PRC-ROK Relations

LD2508122292 Moscow Radio Rossii Network in Russian 1100 GMT 25 Aug 92

[Text] Russia welcomes the establishment of diplomatic relations between China and South Korea as an important step to create a favorable external environment for dialogue between the two Koreas. This is contained in a statement released today in Moscow by a Russian Foreign Ministry spokesman. It also says that the establishment of relations between Beijing and Seoul, following the normalization of those between Moscow and Seoul, is another positive development in the region.

Deputies' Advice for Yeltsin's Japan Visit

OW2508204192 Moscow INTERFAX in English 1803 GMT 25 Aug 92

[By Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" bulletin—transmitted via KYODO]

[Text] The parliamentary committee for international affairs and foreign economic relations has today recommended President Boris Yeltsin that, during his September visit to Japan, he go no further than admitting that there are unsolved problems in Russian-Japanese relations and stating Russia's willingness to look for constructive solutions to them on the basis of earlier agreements and taking into account the whole range of Russia's interests in eastern Asia and the Pacific.

IF [INTERFAX] note: At a press conference last Friday the President said he would make a statement on the Kuril issue on the second day of his visit to Japan, an issue to which he had "twelve alternative solutions."

The committee holds that Russia's unilateral recognition, in any form, of Japan's sovereignty over any part of Russian territory is extremely dangerous under the

present circumstances. It maintains that Russia should continue making efforts to improve its relations with Japan on the basis of equality and mutually beneficial cooperation.

IF note: Sergey Mikhailov, deputy chairman of the committee, has cited the Federal Treaty, which stipulates that no section of the border can be changed without the consent of the relevant unit of the Federation, which in the present case applies to Sakhalin Region, two thirds of whose population, are, according to him, against the islands being returned to Japan. "An opinion poll has shown," he said, "that 25 percent of the local population are ready to start a guerrilla war if the islands are given to Japan." He was indignant at the "crude, frontal pressure" Japan was putting on Russia.

Yeltsin Decrees Control of Troops in Tajikistan

LD2508115292 Moscow ITAR-TASS World Service in Russian 1120 GMT 25 Aug 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 25 Aug—According to information received from reliable sources, by a decree of Boris Yeltsin, president of the Russian Federation, frontier troops deployed on the territory of Tajikistan have been taken under the jurisdiction of Russia.

Moscow, 25 Aug (ITAR-TASS)—The apparatus of the president of Russia confirmed this information to an ITAR-TASS correspondent today. Yesterday, Boris Yeltsin signed a decree "on transferring frontier troops on the territory of the Republic of Tajikistan to the jurisdiction of the Russian Federation."

Yeltsin, Kyrgyzstan's Akayev Discuss Cooperation

LD2508122192 Moscow ITAR-TASS in English 1212 GMT 25 Aug 92

[Text] Moscow August 25 TASS—Russian President Boris Yeltsin had a meeting with his Kyrgyz counterpart Askar Akayev on Tuesday [25 August]. The two leaders discussed cooperation issues between their states, according to the Russian Presidential Press Service.

Government Approves Accord With Kyrgyzstan

PM2508115992 Moscow ROSSIYSKIYE VESTI in Russian 22 Aug 92 p 1

[Unattributed report: "Means of Payment Is the Ruble"]

[Text] The Russian Government has approved a draft Agreement on the Principles of Economic Cooperation With the Republic of Kyrgyzstan. Among other things, the document indicates that "within the framework of the common economic area the only legal means of payment is the monetary unit—the ruble." The sides will coordinate actions in the sphere of economic transformations, including structural, monetary and credit, foreign currency, tax, and pricing policy. They also pledge "not to introduce additional payments for freight shipments across their territory by all forms of transport, including pipelines." This procedure also extends to export-import freight shipments.

Gaydar, Kyrgyzstan's Akayev View Earthquake Aid

LD2508121792 Moscow ITAR-TASS in English 1200 GMT 25 Aug 92

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow August 25 TASS—Russia's Acting Prime Minister Yegor Gaydar today met President Askar Akayev of Kyrgyzstan in Moscow today to discuss humanitarian, technical and financial assistance to the Republic of Kyrgyzstan which has suffered a major earthquake which destroyed more than 7,000 buildings.

The Russian Government expressed readiness to transfer to the republic prefabricated houses and supply more petroleum products than planned earlier. The extension of credits to Kyrgyzstan is in the works.

Political Affairs

Gaydar Interviewed on Economic, Other Issues

LD2508192892 Moscow Russian Television Network in Russian 1632 GMT 25 Aug 92

[Interview with acting Russian Prime Minister Yegor Timurovich Gaydar by Aleksandr Shashkov; place and date not given; from the "Facing Russia" program—live or recorded]

[Text] [Shashkov] Yegor Timurovich, naturally there are a great number of questions. All of them mainly concern the second stage of reforms. However, before we begin, a collegium sitting has just ended, as far as I understand, and while it is fresh in your memory, tell us what were the most important and interesting questions that were examined.

[Gaydar] Today we mainly discussed political problems: the situation that has emerged in the Transcaucasus and the North Caucasus areas, our activities to evacuate Russian citizens from the region of conflicts in Abkhazia, activities to render assistance to those who have been evacuated, to help the refugees—for some of the evacuees are refugees—our activities within the context of the situation in South Ossetia, the work of our colleagues there to ensure law and order and at least the minimal level of vital supplies in cooperation with the authorities of South and North Ossetia and with the new authorities in Georgia, the situation that has emerged in Ingushetiya in connection with the decision that has been adopted to set up the Ingush Republic, organizational questions. Problems connected with the activities of our peacekeeping forces in the Dniester region were also discussed, the necessity of searching for ways to arrive at a political settlement. So today we had an exclusively political sitting.

[Shashkov] Have any specific decisions been made?

[Gaydar] Yes, quite a few specific decisions were made, including the financing of our activities to ensure a minimal level of vital supplies for South Ossetia, the allocation, as it were, of commensurate financial resources, the allocation of material and technical resources, the organization of interaction among various departments. This is because the problems that have to be tackled in Ingushetia, let us say, are among the most serious. There are no foundations of statehood, there are no organizational structures. Everything has been integrated within the former structures that are in Groznyy.

Problems connected with the Abkhaz conflict, in Abkhazia, naturally, are very complex. Here, too, we endeavored to arrive at organizational and financial solutions to make it possible to settle the problem of refugees. We set up a commission headed by Deputy Prime Minister Georgiy Stepanovich Khizha, which will coordinate the work of the departments in that region and search for ways to settle the conflict. We agreed on future contacts with Georgian authorities. We tried to find a mutually acceptable peaceful solution.

[Shashkov] Is there mutual understanding?

[Gaydar] With the Georgian authorities? Well, in general there is a certain degree of mutual understanding. I believe that recently we cooperated quite effectively in solving the South Ossetian conflict. The level of cooperation in that instance was high. The Georgian authorities fulfilled their duty to a full extent, and tried to prevent new flare-ups of violence. As far as the Abkhaz events are concerned, here, naturally, we cannot agree with solutions of force. We obviously support Georgian territorial integrity, but at the same time we believe that human rights and humanitarian problems, which should be respected in any situation, must have priority. On this basis we try to use our influence in order to move Georgian and Abkhaz authorities toward a compromise.

The situation in Georgia, as you yourself know, is very difficult; there is a difficult internal political struggle going on there, a confrontation between different forces and positions. Not everything is in the hands of the State Council, and the State Council is not able to implement everything that it is tackling. Nevertheless, I believe we will try to...[changes thought] We have no other way other than by political methods to try to achieve a settlement. We must on no account allow ourselves to be drawn into this conflict in a military sense.

[Shashkov] Yegor Timurovich, let's now turn to economic problems. They are also probably one of our most painful areas at the moment. People often say now that the first stage of the reforms has ended and the second one is beginning. How successful was the first stage, and has financial stability really come, from your point of view? If so, then why is the ruble still so low against the dollar, if this has come?

[Gaydar] Well, first, financial stability or the stability of the ruble is, in a certain sense, not the autumn or the spring that is about to come upon us, that's perfectly obvious. It is always a question of degree of contradictions, of degree of instability, and to what degree the financial and currency system is effective.

[Shashkov] Please forgive me, but the timescale was, in fact, named, because it was stated that the first stage of the reforms had in fact been completed.

[Gaydar] That's correct. But, the degrees of stability or instability are always different. Well, let's say, from the point of view of Germany's financial realities, the present financial and currency situation in the United States is extremely unstable. From our point of view, it would be the height of utopianism to be guided by this degree of stability, and simply unrealistic. When we were speaking about the need to achieve financial stability we were, of course, setting ourselves more or less realistic tasks. This meant ensuring a ruble that is workable, a ruble with which it would be possible to buy goods without assets, limits, bribes, the endless hustle and

bustle of those in charge, and so on. In short, to ensure working money, which is not very stable, not very reliable, and still falling in value every month because open inflation is still going on.

However, it is already working, as is the case with many developing economies which are not infinitely stable. Here, then, is the task we set ourselves at the first stage. It is, however, no trivial task, far from it. As far as I can recall, an overwhelming majority of people, including, perhaps, my collocutor, were deeply convinced that it was insoluble in principle. And, I mean, there were quite serious grounds for this. There was this chronic lack of trust in our national currency, there were rumors about a fiscal reform, the most acute financial disproportions that have piled up. These were, quite simply, the stereotypes that, after all, accompany shortages. Let us say in December the general tone of conversations was this: Who, indeed, needs money? No one needs money, people need tangible things. Steel is needed, oil is needed, material resources are needed, funds are needed, capital investments are needed, but money is neither here nor there. There was this deep conviction that it will always be so. The danger of the situation consisted in the fact that all these non-money mechanisms, based on orders from above, simply ceased to work toward the end of the last year. You could have any funds allocated, but they were not realized.

In this situation it turned out to be absolutely impossible to achieve, let us say, the handing over of grain, at any price. Already toward the end of last autumn, grain would not be sold at any price. It was essential for us to make sure that the ruble would work. It was essential for us to create pre-conditions under which the ruble could be the mediator in economic ties. The ruble could do it better, or it could do it not so well, or it could just about get by, with contradictions and shortcomings, but, nevertheless, it would mediate here, so that, in practical terms, everything that the enterprise requires could be purchased with the ruble. Thus, people could buy more or less everything they need for the ruble.

[Shashkov] Is it now possible to buy things for the ruble?

[Gaydar] For the ruble? All in all, yes. There are obvious exclusions. Petroleum products, for instance, because their price is substantially lower than their supply and demand. In principle, however, enterprises can practically purchase whatever they like, for a down payment. A colossal and constant flow of complaints, requests, and demands used to reach the government, at any rate. They were concerned with the allocation of limits and resources by the end of the autumn and by the beginning of the winter and by the beginning of this year's spring, and this flow gradually evaporated. Now the government does not encounter anything like that, apart from requests for money. If money is at hand, goods that only recently were scarcest of all can be bought. You can be invoiced and buy, right away, any kind of metal and slate and whatever takes your fancy.

[Shashkov] You mean the producers. But what about consumers, the citizens, those who live here?

[Gaydar] Consumers, citizens, and people who live here—here, too, there are no miracles. The level of saturation of the consumer market is, naturally, qualitatively different now from what used to be the case toward the end of last autumn. This is particularly obvious and evident where industrial consumer goods are concerned, where household equipment and technically complex consumer durables are concerned, where furniture is concerned and where goods which, if you recall, never did appear in principle in state shops over the past two years are concerned, even though they were produced. Furniture was, as a rule, distributed among those who were ready to pay fivefold for it toward the end of last year, and so on. Currently the range is still, of course, poor. It is, however, qualitatively different than was the case against the backdrop of the collapsed market of last year.

Currently the predominant complaint of those who produce the goods is that there is no demand. Someone who, say, produces technically complex consumer durables, comes to me and says: How are we to convince the government that even if it slightly increases people's ability to buy and demand, we will still not increase the prices because it is essential to rid ourselves of what has accumulated in our warehouses.

[Shashkov] But prices are generally going up regardless?

[Gaydar] Prices are going up, but as far as these goods are concerned the increase is very slow. Let's say in July the rate of price increases turned out to be lower than was forecast by us for December. We assumed that we would succeed in bringing down the rate of monthly inflation by December to 9 percent. Well, statistics show the figure of a 7.1 percent price increase for July.

[Shashkov] This is the general growth?

[Gaydar] The general growth of retail prices. It is currently different in various regions and where various groups of goods are concerned, but it has already become very slow where industrial consumer goods are concerned. There used to be these leaps, prices would go up by one percentage point daily—a 30 percent increase in February. The main thing we had to attain was that the rate of price increases should consistently slow down month by month. Well, by July they reached what was, all in all, quite a decent level, which makes it possible to speak of a relative stabilization of the financial and consumer market.

Naturally, this stabilization is still very unreliable. It is still underpinned by a foundation that was built simultaneously with the course of this process itself. There are also quite powerful factors that operate in the direction of an additional acceleration of the rate of price increases, in the direction of price hikes.

Nevertheless, I for one do not see any signs that we may come up against a real threat of hyperinflation in the near future. You have to have a clear idea of when you have hyperinflation and when you have inflation. We already have hyperinflation. We have already been through hyperinflation. Hyperinflation is defined not simply quantitatively by the monthly rates of growth of prices, in which we don't have hyperinflation, strictly speaking, from this point of view, over the months since February; it is defined by the attitude toward money. In conditions of hyperinflation no one needs money, that is the main phenomenon of hyperinflation. That is its main characteristic, that having obtained money people get rid of it in five minutes. You need real material valuables. If I have them I'm a human being, and I'll barter, but never for money because under conditions of inflation it loses its value by the minute. This is the situation that we have tried to avoid, and that we have, I think, succeeded in avoiding for the moment.

[Shashkov] Yegor Timurovich, to judge from the newspapers, to judge from the comments of experts, quite a substantial surge in prices is expected in October. Is that so? This is clearly linked with the rise in grain prices.

[Gaydar] The effects linked with the rise in grain prices are already beginning to be felt today, and they will continue to exert a substantial influence on the pricing situation for several months to come.

I hope that here we will be able to avoid a dramatic one time rise in prices and that it will not take place. But, it is absolutely obvious that a tendency toward an increase in prices for a whole range of goods is unavoidable, no doubt about it. Proceeding from this fact, too, we have just adopted a decision on a 50 percent wage increase in the entire budget-funded sphere, starting with culture, health care, and education and up to the managerial apparatus. Naturally, we will take into account the ongoing dynamics of prices in subsequent increases.

[Shashkov] Yegor Timurovich, we have passed the first stage of reform; this has been recognized and agreed upon. The second stage begins now, which calls forth a host of questions. Naturally, it is privatization. Frankly speaking, from my point of view, according to what I could glean from newspapers, it looks more like a one time social measure to support the population. Frankly speaking, I do not believe that a class of middle owners, the middle class, which is the buttress of any state, can be created by issuing each and everybody with 10,000 rubles [R]. Could you prove otherwise?

[Gaydar] Well, first of all, the distribution of the first R10,000 vouchers will not complete but, rather, will only initiate the process of privatization. Second, the question of creating the middle class, naturally, cannot be solved by any one time measure. It is a long social process, and we merely have to prepare the ground for it. The main thing for us here is not social or sociopolitical components, after all. The main thing for us is to ensure that the transformation of property really takes place. It implies real change of the mechanism of running state enterprises. Therefore, by no means should one separate the technical procedure of distributing the vouchers from another, no less important process, that is, the transformation of several thousand major Russian enterprises into joint stock companies. This is very serious indeed, and it is only on this basis that we can implement the program for distributing the vouchers, popular privatization, and so on. Some people say: All right, but why R10,000? Let us increase the sum.

[Shashkov] If I am not mistaken, Belarus has earmarked about 60 percent of national property [natsionalnoye dostoyaniye] for this program—I heard it on the radio today—whereas Russia did only 10 percent, according to estimates. Is this difference linked with political or economic considerations, incidentally?

[Gaydar] This difference is partly linked to political considerations. The federal program is only concerned with the revenue from privatization which should go to the federal budget. That is, there are internal contradictions in what is said; let us give everything to the workforces and at the same time let us also give R50,000 to the whole population. You cannot give away the same property twice. We have already, in the guise of concessions, given it away to the workforces to a considerable extent. Some privatization revenue goes to the local budgets. Within this scope they can implement their own privatization programs. We are distributing the proportion of the revenue reserved for the federation—35 percent of privatization revenue. It is within this scope and on this scale that we are maneuvering. We can try to give all the property away immediately, but there is a tremendous risk, in that there may not be a corresponding supply of shares. After all, we are being criticized in parallel for two things: for the fact that we are not distributing a sufficiently big proportion of property among the population, and at the same time, that our tasks, the tasks we have set ourselves to issue shares and turn enterprises into shareholding companies, are excessively ambitious and cannot be executed. Well, let us, all the same, be more definite here: If they are excessively ambitious, it means that less ought to be given away. If they are realistic, even though very intensive, let us now give away as much as we find feasible. When all is said and done, it does not in any way prevent us from issuing privatization checks for the second time three months after 1 October, if we see that there is a stable and major demand for state property created by the vouchers, the privatization checks, if we see that there is a real supply of this property—no one will stand in our way of doing it. That is precisely what we intend to do and the question revolves round the dates and scales. A mechanism must be elaborated to begin with.

[Shashkov] What is your view, the first stage of the distribution—incidentally, vouchers—is it, all in all, an official name, or is it one that has, most likely, been coined by the papers?

[Gaydar] No, let us call them privatization checks.

[Shashkov] The distribution of privatization checks: A person receives, well, a family receives on average between R30,000 and 40,000.

[Gaydar] Between R40,000 and 50,000. What family?

[Shashkov] What family? Well, I think somewhere in the region of between three and four people now. What is your view? Can much property and income be had for this money? Or, is it the case, since savings have already, to put it bluntly, been eaten away on the whole, that this money, these privatization checks will be sold and will be bought by people who already have large incomes? What can the current market value of such a privatization check be now? In the market, will its price be higher or lower than the original price?

[Gaydar] This is perhaps the most difficult problem and one that cannot be answered on the basis of general considerations. We will have to set this mechanism in motion. It will depend on the success of the process of large-scale privatization and on the size and seriousness of the demand for vouchers. That is what will determine the real level of the price. I stress once again that it is determined not by the number of zeroes we write on it, but by the amount of property that we actually manage to put into the process of privatization. That is the most important problem for us.

[Shashkov] One other problem that faces us now is unemployment. In an article in IZVESTIYA you said that we should not labor under any delusion that its potential is building up and that beginning in autumn the problem of employment is bound to get worse. At his news conference the president said he did not expect the level of unemployment in our country to reach the level of Western developed countries and that it would be considerably less. On what do you think his confidence is based?

[Gaydar] On two circumstances: first, on the inertia of the behavior of the post-socialist enterprise. As a rule, if it comes up against serious difficulties it is only in extreme cases that it lays off workers on a large scale. It prefers first to bring in wage restrictions and then to introduce obligatory holidays and only in extreme cases to lay people off.

Second, it is connected with the fact that as yet major structural restructuring in our economy is only starting. Therefore, today's level of unemployment is of course still extremely low. It is less than 1 percent of the able-bodied population. By the end of the year it will inevitably rise very rapidly; according to all of our prognoses and calculations it will rise in September. We are preparing for this, we are preparing the corresponding financial resources and organizational structures and employment programs and so on. But in any variant, according to any forecasts, even the most pessimistic, it cannot increase by the end of the year to levels close to those that are characteristic for the developed countries of the West.

The center of gravity will inevitably move from our country's traditional concerns about shortages—how to acquire products, whom to bribe in order to get access to things in short supply and so on—which the overwhelming majority of the population was still worrying about a year ago—to worries about keeping one's job, employment, security, seeking new opportunities to find a job, to earn money, and so on.

[Shashkov] Incidentally, there is the question of bribes. Borovoy constantly accuses or rather warns that local bodies of power are merging with criminal elements. What is currently happening in the battle against corruption in this country?

[Gaydar] Well, the problem is very difficult. It is very difficult. It has been compounded by a certain demoralization of the adminstrative apparatus connected with a loss of prestige and sometimes simply of material prosperity, success, and so on. Naturally, this rapid transformation of all forms of life in society and norms of behavior is having a very painful and deleterious effect on the effectiveness of the work of the whole state machine. Nevertheless, I would not want to dramatize the situation. Yes, there is corruption without any doubt. If there are at least some possibilities of putting us on the trail of specific (?culprits), more often than not all these words turn out to refer to absolutely nobody. All our attempts to say, well, fine, tell us exactly who, where and when, frequently lead nowhere. On the other hand, I don't think that corruption in our state apparatus today has reached the level so typical of the developing countries.

[Shashkov] A conference involving heads of administrations has just ended. What do you think it demonstrated? Are they people who think like you, are they your team, or does their view of reform and the future of Russia differ from yours? After all, it's no secret that the majority of things depend on the way the reform proceeds not in the center but locally.

[Gaydar] It was not simply a conference with heads of administrations; there were heads of administrations, representatives of the president, deputy heads of administrations responsible for the economy, and entrepreneurs. By and large, I think it demonstrated a growing mutual understanding between bodies of power at the federal level and locally, their ability to coordinate their work, their joint ability to adopt and implement common, well thought-out decisions. I think the overwhelming majority of heads of administrations—whatever human (?failings) they might have, everyone has them—are people who have a sincere interest in ensuring the success of our reforms.

[Shashkov] Do they have the levers of power in their hands?

[Gaydar] The problem involves bringing the degree of responsibility of the heads of administrations, which is enormous, into line with the real amount of existing rights, which are very limited. This is a real problem.

I think that, together with the Supreme Soviet, we must work on solving it. However, to be realistic, the scope of rights and opportunities for heads of administration in the provinces fully permits them to implement the policy of reforms.

[Shashkov] Gennadiy Ivanovich Burbulis, in one of his interviews, said the course of reforms is irreversible but tactically he prefers to take into account the balance of forces. This was in an interview for ARGUMENTY I FAKTY, I think. What's your view now on the balance of forces?

[Gaydar] I think that today's balance of forces does not leave any chance to those who want to turn our country back and to revive a steady totalitarian society here. Today's balance of forces is not in their favor. If you speak about specific tactics for change and priorities, taking into account the specific interests of this or that social group, then here there are broad possibilities for a struggle, a maneuvering of political coalitions. These will be inevitable in a democratic society, but I am convinced that the balance of forces as a whole is in favor of maintaining the stability of the course toward reforms.

[Shashkov] Igor Timurovich, and now finally the last question. What is your forecast for the next three months, from the point of view of the man in the street?

[Gaydar] From the point of view of the man in the street, I don't believe in any apocalyptic predictions. I don't think that we are in for a catastrophe. I don't believe in a famine in our country; there will be no famine. I don't believe in the help of any unimaginable, immediate, or miraculous recipes for a sharp increase in the rate of economic growth or an immediate growth in the people's wellbeing. I think that we will cope with any tasks that may arise.

With every passing month the small wheels of the market mechanism will get working better and better. With every passing month we will be able more and more to switch the emphasis from this forced and tough financial regulation to the micro-level, to the small wheels of the market mechanism which have already begun to function and which really have started to go round, to a privatized trade network, to the market structures which are being created in the wholesale sphere, to the market structures that are in the process of creation, to privatized structures in industry.

I think it would be right to say that employment will become one of the most serious problems in the next few months.

I think that our society will gradually adapt itself to what is, in principle, a different way of life that you will have to live in anyway if you want to live within the company of civilized nations, if you wish to get rid of a second-class status.

[Shashkov] Thank you.

Deputies Bemoan 'Tragedy' of Coup Failure

PM2608084592 Moscow SOVETSKAYA ROSSIYA in Russian 22 Aug 92 p 2

[N. Garifullina report on speeches by participants in 19 August Moscow "public hearings" on anniversary of 1991 coup: "What Is in Store for Russia?"]

[Text] To us has fallen the bitter happiness of witnessing and participating in a difficult crisis in the history of our Motherland. Where is Russia going? What is the true face of the leaders who are guiding this process? What place has been prepared for Russia to occupy shortly in the family of peoples?

This was how Russian People's Deputy Vladimir Isakov, who chaired the meeting, formulated the painful issues of concern to us all which formed the heart and core of the public hearings held last Wednesday in the parliament center.

The theme of the hearings was formulated fairly broadly: "The Second Anniversary of Russian Sovereignty—Results and Prospects." A whole series of key, pivotal problems of our history was raised in the course of these hearings. The chairman remarked that, by adopting the Declaration of RSFSR State Sovereignty two years ago, many complex, equivocal processes had been initiated: The events of 19-21 August, "the anniversary of which is this very day being marked by 'all progressive mankind'"; the events of December 1991; the signing by the three presidents of the agreement ending the existence of the USSR... In other words, a mass of problems which require interpretation and analysis. And it must be said that this attempt at the hearings was entirely successful. The attention of the speakers was focused on one event—19-21 August, on interpreting the lessons of the three days which became a tragedy in the history of our great power and its great multinational people.

Let the participants of the hearings take the floor.

Assessments

Gennadiy Sayenko, Russian Federation people's deputy:

The current authorities have spoken and continue to speak about the August events profusely and in triumphalist tones, with no particular alarm at the national and political tragedy of the destruction of the Union and without regret for the colossal sacrifices which our compatriots have made on the altar of democracy and the market economy. True, the colors in which the August events are painted pale with time in the descriptions of the authors of those events. Evidently Russia's current rulers have no clearly articulated concepts of their "victories," since the achievements of August '91 a year later are being to look like the reverse, and the festivities for this reason are very reminiscent of a feast in a time of plague [title of Pushkin poem].

Mikhail Astafyev, Russian Federation people's deputy, member of the Constitutional Democratic Party:

Yeltsin, in building his party career, encompassed the destruction of a monument to our difficult history, blowing up the house of Ipatyev when he was secretary of the oblast party committee. And then, when he was struggling for power in Moscow, in the Kremlin, he was prepared to send a bomber to bomb the Kremlin. What for? ...This indicates the level of moral degradation of people who cling so greedily to personal power.

Sazhi Umalatova, chairman of the Congress of USSR People's Deputies Standing Presidium:

Our homegrown democrats, who two years ago proclaimed Russian sovereignty and in August last year seized power through deceitful means, are trying their utmost to convince us that we should welcome any sovereignization, since sovereignty is freedom. This one-sided interpretation is nationalism of the first water, which has many times attempted to raise its head in our country and in other countries, but was discredited.

Results

Gennadiy Zyuganov, chairman of the People's Patriotic Forces Coordinating Council:

Today there are essentially three parallel processes at work. On the one hand, this diabolical machine is trying to disunite collectivists, to turn us all overnight into speculators and marauders. On one-sixth of the world's land surface a type of state is forming which can be assessed as a hybrid between modern Yugoslavia and Colombia. You can really see this if you look at the processes happening today in the Caucasus. There two peoples are savagely destroying one another, and the best lover of glasnost and democracy, Shevardnadze, is bombing a resort and establishing the new thinking and the new world order there.

Yelena Lukyanova, chairman of the Youth Association of USSR Lawyers:

In the space of this year we have had two highly shameful political trials, and one which has not yet begun. I mean the highly shameful trial of the party, which was supposed to have been a trial of the president's decrees, and the highly shameful investigation into the State Committee for the State of Emergency affair. And the trial which is imminent is a trial of the so-called "reds and browns," of us all, although the admixture is grotesque. Not only because red and brown tones do not make an aesthetic match, but also because to combine them politically is also impossible: Where there is brown, there cannot be red, because these are two different political ideologies.

And if the first two trials conclude in favor of those who have arranged them, the trial of the "reds and browns" is inevitable. In the course of this year—and this is one of its most terrible results—our own political prisoners have appeared in our country, in both the literal and figurative sense of the word. Literally, they are the people languishing in jail for their convictions, figuratively they are all of us, you and I, who are political prisoners in some sort of political space, deprived of a Motherland, because my Motherland cannot be Russia alone, because I am a citizen of the Soviet Union.

Aleksey Galaganov, chairman of the Russian Attorneys' Union, attorney to Prime Minister V. Pavlov:

Today it was announced on radio and television that the first day of the festival "Viva Russia!" is beginning. On my way to work I saw at the bus-stop a grandmother in worn-out shoes and a worn jacket who was surreptitiously fixing an advertisement to a fence. I went up and looked at this advertisement. It said: "Iron Bedstead For Sale." I thought: What was the cost of Pavlov's exchange, as we called it, of 50- and 100-ruble notes—I repeat, exchange—compared to the robbery going on today?! When people are doubtlessly selling their last possessions, things without which life is impossible...

Responsibility

Viktor Alksnis, USSR people's deputy:

Unfortunately, we are all to one degree or another accomplices in the tragedy which has taken place. Despite the fact that this so-called putsch was indeed truly like a farce; but one of the causes of the farce lies in the fact that those who ventured on the enterprise hoped that people would support them, because the need for changes had become pressing. And therefore all of us sitting in this hall are to blame for the fact that these people went unsupported. After all, not one communist went to the defense of the CPSU Central Committee building on Staraya Ploshchad 22-23 August as the democrats defended the "White House." Not one!

Everything was destroyed before our very eyes, and destroyed by our hands, by the hands of USSR people's deputies. I believe that the day when we USSR people's deputies voted to repeal Article 6 of the USSR Constitution was the day we signed the Union's death warrant.

Vladimir Bushin, writer:

Not so long ago the experienced Gus Hall, who has seen many things in his time, said of what is happening in our country: "World history has never witnessed such mass betrayal." And this is correct. But it is not only a question of betrayal. It is also a question of silence, cowardice, and passivity. We have talked here about the Matrosskaya Tishina prisoners. Of course they deserve our sympathy, of course we should seek their release. And let these pocket prosecutors know that, the longer they hold them, the more serious their responsibility will be.

Lessons

Aleksandr Prokhanov, chief editor of DEN:

The lessons which I drew for myself are as follows. Lesson number one. The democrats, seeking to get rid of Communism and destroy the communist system, were

determined to do it at any price. Including the price of destroying statehood. They committed a terrible crime.

Lesson number two. Something surprising, almost impossible took place: After August last year the flanks of the torn national body united, the red idea and the white idea united, the socialist and the national ideal united.

...The most important lesson which I drew from this situation is the need for the maximum civil reconciliation and civil fraternization. The fraternization of the left and right opposition, red and white patriotism, the fraternization of all of us who are today weary after this year of the loss of our state.

What Is To Be Done?

Viktor Anpilov, one of the leaders of "Working Russia," secretary of the Russian Communist Workers' Party:

The causes are clear—last year's coup is continuing, the destruction of the fundamentals of our order, our society, our nation, our national property. And now—what is to be done? First, the factories must not be given away to scoundrels. The democrats came in under the slogans: "Land to the peasants, factories to the workers, and power to the people." These are Bolshevik slogans. Then the democrats quickly turned aside from them. Let us work in order to realize the ideas of Lenin and give factories not to those who have a sackfuls of dollars or a wagonload of our denomination, but to the people.

Aleksandr Sterlingov, cochairman of the Russian National Assembly:

We really must today think of how not to allow ourselves to plunged into civil war for the second time this century.

The danger of a future split exists. But it is our historical duty not to allow them today. And we believe that unity can only arise under the banner of the nation-state idea, under the banner of the revival of Russia.

Ilya Konstantinov, Russian Federation deputy:

...We need a unified sociopolitical organization which would set itself the task of saving the Fatherland and promoting the national revival of the Russian people. We need a Russian national salvation front to unite representatives of the right- and left-wing opposition in which the antagonism of ideologies and generations would finally be removed.

Gennadiy Zyuganov:

We have only a few months in which to form a powerful patriotic front and to unite all forces. No one really supports these authorities in the country except a narrow stratum in government and journalists who have completely lost their consciences, having sat too long at the TV screens and radio receivers.

Mikhail Astafyev:

We must elaborate a clear plan for our joint actions. A plan, as it seems to me, consisting of two stages. The first stage is the removal of the antipeople regime... [Astafyev ends]

The result of the hearings was the birth of the International Social Committee for the Defense of Political Prisoners' Rights. "It is essential that we wake up and come to our senses. No one will help us, except ourselves," the initiators of the formation of this body say in a statement. And this, perhaps, is one more meaningful lesson for all of us of the tragedy of August 1991...

Communist Rally Urges 'Armed Insurrection'

LD2308135592 Moscow Russian Television Network in Russian 1000 GMT 23 Aug 92

[Video report by V. Budnikov from the "Vesti" newscast]

[Text] Communists have begun a new surge of activity. A traditional event—a meeting outside the Lenin museum and a procession to the mausoleum—took place today under the direct leadership of Viktor Anpilov. The Working Russia leader announced a broad program of action by communists for the fall. The program includes the holding of a second national popular assembly [veche] on Manezh Square and a congress of workers and peasants in Nizhniy Novgorod. The congress is to form a government and take steps to reestablish Soviet power. [Begin recording of unidentified person, possibly Anpilov, speaking to crowd through a megaphone] If the congress refuses to discuss draft laws developed with the participation of the people, then there there will be no other way but armed insurrection. [cheers from the crowd; end recording] [video shows people carrying banners reading "Soviet Union," "Save the National Wealth from Privatizers of All Hues," "The Dealer-Democrats Cannot Wait To Sell Off Russian Land. Is That All?"]

Russian Germans Hold Conference in Moscow

LD2308170592 Moscow ITAR-TASS World Service in Russian 1220 GMT 22 Aug 92

[By ITAR-TASS diplomatic correspondent Sergey Ryabikin]

[Text] Moscow, 22 Aug—"Russian Germans have not reached complete rehabilitation, and are a very long way away from rebuilding the republic of Volga Germans", said Genrikh Grout, chairman of the Wiedergeburt society of Russian Germans at its fifth conference which opened today in the capital. About 400 delegates from all republics and regions have come to the conference, which will last for two days.

Grout said that the emigration policy was a priority for the society. In this respect he harshly criticized the leadership of Germany, which, according to him, halts the acceptance of Russian Germans by imposing a quota of 150,000 per year.

Valeriy Tishkov, chairman of the State Committee on Nationalities, who spoke at the conference, noted that recently a great many efforts have been made to solve the problems of Russian Germans. An intergovernmental agreement between Russia and Germany on stage-by-stage revival of the statehood of Russian Germans has been signed and two ethnic rayons, in Altay and in Omsk oblast, have already been set up. A decision has been made to set up two other ethnic entities in Volgograd and Saratov oblasts.

Walter Priesnits, state secretary of the German Ministry of Internal Affairs, appealed to Russian Germans, on behalf of the German Government, to make use of existing chances to organize their life in the republics of the former USSR. In his estimate, the rehabilitation of Russian Germans is proceeding fast, and as for the solution of these problems, considerable promising changes have recently taken place in Russia. It is important in this respect that the Russian Germans take the initiative themselves, Priesnits believes. "The Volga Germans' republic is not dead as long as we aspire for it together", he emphasized.

At a news conference, Priesnits said that over 1 million Germans have moved to Germany since 1989, half of them being from the USSR. This year alone has already seen about 100,000 Russian Germans arrive in Germany. Answering a question by an ITAR-TASS correspondent he said that Germany is prepared to render considerable assistance to Germans who want to stay in Russia. This year the German Government has already invested over 130 million German marks in various projects.

Media Issues

Decree on IZVESTIYA Property Published

PM2508141192 Moscow IZVESTIYA in Russian 25 Aug 92 Morning Edition p 1

[Ordinance of the Russian Federation president "On Property of the Publishing Complex 'IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR,'" dated 22 August 1992 and signed by Russian Federation President B. Yeltsin]

[Text] The Russian Federation State Committee for the Management of State Property is to examine the question of assigning, according to the established procedure, the property of the publishing complex "IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR" to its successor—the "IZVESTIYA" newspaper publishing complex.

[Signed] Russian Federation President B. Yeltsin
22 August 1992

Parliament Seeks To Register IZVESTIYA

PM2408134192 Moscow ROSSIYSKIYE VESTI in Russian 20 Aug 92 p 1

[Report by Irina Mateveyeva: "Another IZVESTIYA? Application Made To Register New Paper"]

[Text] The emotions over IZVESTIYA, which flared up on the eve of the parliamentary vacation, will not abate until ownership questions, concerning such important things as the building and printing facilities, which are federal property, as parliamentary speaker Ruslan Khasbulatov pointed out at a 17 August press conference, are resolved.

That same day the Russian Press and Information Ministry received an application from the Russian Federation Supreme Soviet to register the paper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV VERKHOVNOGO SOVETA ROSSIYSKOY FEDERATSII [News of the Soviets of People's Deputies of the Russian Federation Supreme Soviet]. "There is no legal impediment to this," V. Polovetskaya, adviser in the ministry's legal administration, believes, "since all the necessary formalities connected with the articles of the Law on the Press have been observed."

It looks as if the two papers will soon be existing side by side. IZVESTIYA as an independent paper, founded by the journalists' collective, based at Pushkin Square and using the I.I. Skvortsov-Stepanov printing works at the same address, and the Russian Federation Supreme Soviet paper with practically the same name, evidently expecting to use the aforementioned facilities. Despite the innumerable publishing problems, the number of applicants for press organs in Russia shows no signs of dwindling. And many are succeeding. Despite the paper shortage there is no shortage of printed matter in Moscow.

But the new paper with the longest official name—IZVESTIYA SOVETOV NARODNYKH DEPUTATOV VERKHOVNOGO SOVETA ROSSIYSKOY FEDERATSII—is embarking on this difficult path in conditions of tough competition for the readers' market at the height of the subscription campaign.

Of course, at the present stage of property law confrontation the new but not yet registered IZVESTIYA..., which has a most influential patron in the speaker of the Russian parliament, can well afford to compete for a while in certain areas with the old IZVESTIYA.

But the question is what will happen then in the main battle for every media organ—for readers' hearts and minds. One imagines that, knowing Ruslan Imranovich's passion for the free press, there is every reason to suppose that the new paper will tell readers everything the speaker thinks about the future of the reform, about the permanent importance of soviets at all levels, about the government, and about General Dudayev and will

finally communicate from his professorial aerie his concept of the transition to the market.

"I vow I will be the first subscriber to the paper ...SOVETOV NARODNYKH DEPUTATOV VERKHOVNOGO SOVETA ROSSIYSKOY FEDERATSII," IZVESTIYA chief editor Igor Golembiovskiy said in an interview with ROSSIYSKIYE VESTI.

Dispute Over IZVESTIYA Control Continues

LD2508203492 Moscow ITAR-TASS in English 1630 GMT 25 Aug 92

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow August 25 TASS—Deputy Russian Goskomimushchestvo Chairman Petr Mostovoy described as a juridical blunder the instruction of Russian Federal Property Fund Chairman Fikryat Tabeyev on taking upon the proprietor's powers on owning the IZVESTIYA Publishing House.

Two sides are now laying claims on the facility: the IZVESTIYA collective, whose property on the publishing house was to be confirmed by the Goskomimushchestvo under the Russian president's instruction, and the Russian parliament in the person of Russian Federal Property Fund Chairman Fikryat Tabeyev.

The stand of parliament head Ruslan Khasbulatov is known as well: He wants IZVESTIYA to become the organ of the Russian Supreme Soviet.

"The state committee on property has the exclusive right to dispose of federal property objects in accordance with the Supreme Soviet's resolution of December 27, 1991 'On the Division of State Property in the Russian Federation'," Mostovoy told ITAR-TASS.

In addition, under Article 6 of the law on privatization, the federal property fund has the right to fulfill proprietor's powers only as regards objects, whose certificates on property were passed over to the fund by the Goskomimushchestvo for privatization.

"There has been no transition of such property certificate on the IZVESTIYA Publishing House. Thus, the federal property fund does not have any powers to dispose of the object. The IZVESTIYA Publishing House is on its status a state enterprise, which lays in competence of the Goskomimushchestvo and nobody else," said Mostovoy.

The IZVESTIYA editor in chief commented, on ITAR-TASS request, on the political aspects of the on-going conflict over the right to own the publishing complex. In the opinion of Igor Golembiovskiy, the instruction of Russian Federal Property Fund Chairman Fikryat Tabeyev runs counter to the Russian president's decree.

At a news conference of deputy chairman of the Russian people's deputies congress commission on studies of the situation in mass media Vladimir Lisin to be held on August 26 in the parliamentary center, the stand of the Russian Supreme Soviet on the on-going conflict around the IZVESTIYA will be made clear. [sentence as received]

Civil Defense Journal To Be Declassified in '93

PM1808151592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 15 Aug 92 p 1

[ITAR-TASS report under the "Only Facts" rubric: "Press"]

[Text] The GRAZHDANSKAYA OBORONA [Civil Defense] journal will be declassifed in 1993. This decision was adopted by the Russian Federation State Committee for Emergency Situations.

Economic Issues

Yeltsin Decree on Privatization Checks Issued

PM2508134592 Moscow ROSSIYSKIYE VESTI in Russian 25 Aug 92 p 1

[Decree No. 914 of the Russian president "On Introducing a System of Privatization Checks in the Russian Federation," signed by Russian President B. Yeltsin and dated the Kremlin, Moscow, 14 August 1992]

[Text] With a view to speeding up the transfer of state property to citizens of Russia and involving broad strata of the population in the privatization process, and to implement the demands of the State Program for the Privatization of State and Municipal Enterprises in the Russian Federation for 1992, I resolve:

1. To introduce a system of privatization checks (privatization accounts) in the Russian Federation as of 1 October 1992.

2. Every citizen of the Russian Federation has the right to receive one privatization check, each of equal nominal value from each issue.

Commission is levied when citizens of the Russian Federation are issued with privatization checks.

3. Privatization checks are to be issued on the basis of the Russian president's decrees.

The issuing of securities or the creation of other systems for the free transfer of state and municipal property in the republics, krays, oblasts, the autonomous oblast, autonomous okrugs, the cities of Moscow and St. Petersburg, rayons, and cities to the ownership of citizens of the Russian Federation and their associations is not permitted.

4. To ratify the Statute on Privatization Checks (attached).

5. To fix a nominal value of 10,000 rubles [R] for privatization checks of the 1992 issue.

To fix a commission charge of R25 when handing out privatization checks of the 1992 issue.

To establish that privatization checks of the 1992 issue are valid 1 December 1992 through 31 December 1993.

6. That the Russian Government:

ratify by 1 September 1992 the procedure for levying commission when citizens are issued with privatization checks;

issue and start to distribute privatization checks of the 1992 issue to citizens of the Russian Federation no later than 1 October 1992.

7. That the Russian State Committee for the Management of State Property on agreement with the Russian President's State Legal Administration:

ensure by 15 August 1992 the formulation and adoption of the normative acts needed for the issue, distribution, and redemption of privatization checks;

formulate and ratify by 1 September 1992 the Statute on Specialized Investment Funds Which Accumulate Privatization Checks.

8. That the councils of ministers of republics within the Russian Federation and the administrations of krays, oblasts, the autonomous oblast, autonomous okrugs, the cities of Moscow and St. Petersburg, rayons, cities, and rayons in cities:

provide the Savings Bank of Russia and branches thereof with the premises needed for the Savings Bank of Russia to perform its functions of distributing privatization checks;

resolve, in conjunction with the Russian State Committee for the Management of State Property, the question of reimbursing the Savings Bank of Russia for expenditure incurred in carrying out the above work.

9. That organizations and enterprises (including trading organizations and enterprises) are prohibited from receiving privatization checks as a means of payment for goods, services, and work.

10. The decree comes into force on the basis of and in accordance with the procedure prescribed by the Resolution of the Fifth Congress of Russian People's Deputies of 1 November 1991 "On Legal Backup for Economic Reform."

[Signed] Russian President B. Yeltsin

[Dated] The Kremlin, Moscow, 14 August 1992

'Supplement' Published

PM2508140292 Moscow ROSSIYSKIYE VESTI in Russian 25 Aug 92 p 3

["Supplement to Russian President's Decree No. 914 of 14 August 1992. Statute on Privatization Checks"—ROSSIYSKIYE VESTI headline]

[Text] Article 1. General Provisions

1. Privatization checks put into practice, within the process of enterprise privatization, the mechanism for free transfer to citizens of the Russian Federation of enterprises' subunits, property, shares of stock, and shares in joint-stock companies and associations (hereinafter, facilities to be privatized) that are federal property and the state property of republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg.

Privatization checks cannot be used in the privatization of property that has been deemed municipal property in accordance with the Russian Supreme Soviet Resolution of 27 December 1991 "On the Demarcation of State Property and Municipal Property."

2. Privatization checks are issued to citizens of the Russian Federation who have the right to receive privatization checks in accordance with Article 2 of this statute.

Privatization checks can be bought and sold without restrictions.

Persons recognized as purchasers in accordance with Article 9 of the RSFSR [Russian Soviet Federated Socialist Republic] Law "On the Privatization of State and Municipal Enterprises in the RSFSR" have the right to use privatization checks as a means of payment when acquiring facilities to be privatized for their private ownership.

A privatization check used as a means of payment in acquiring facilities to be privatized is redeemed and removed from circulation.

3. A privatization check is a targeted state security and has a nominal ruble value.

A privatization check is a document payable to the bearer.

4. Privatization checks can be used in full or part payment of the cost of a facility to be privatized in accordance with the Statute on the Sale of Shares of Stock in the Privatization Process and the Statute on Secret Subscription ratified by the Russian State Committee for the Management of State Property.

When an enterprise is sold in its entirety during the privatization process or when the property (assets) of enterprises that are being or have been wound up is sold by tender, auction, or investment auction the buyer must

use privatization checks to cover a proportion of his payment, that proportion being equivalent to the proportion of the money from privatization that is channeled into the Russian republic budget in accordance with normatives laid down in the state privatization program for the year in question.

The Russian Federal Property Fund or another entity acting as representative for the vendor of the facilities to be privatized accepts privatization checks at their nominal value as a legal means of payment in accordance with the procedure laid down in this Statute.

Refusal to accept privatization checks as a means of payment during privatization is forbidden.

5. Every privatization check has a certain period of validity fixed when issued by the Russian Government and indicated on the check itself. The period of validity of a privatization check cannot be less than a year or more than two years. When the privatization checks' period of validity expires they are deemed to have been redeemed and are removed from circulation.

6. The procedure for the issuing, circulation, use, and redemption of privatization checks is laid down by this Statute and normative acts adopted by the Russian Government and the Russian State Committee for the Management of State Property.

Article 2. Right To Receive Privatization Checks

1. Citizens of the Russian Federation resident permanently on its territory on the date that the Russian president's decree on the issuing of privatization checks comes into force, regardless of age, income, and duration of their permanent residence in the Russian Federation, along with Russian servicemen serving outside the Federation, have the right to receive privatization checks.

2. Citizens of the Russian Federation who are resident or temporarily find themselves outside the Russian Federation acquire the right to obtain privatization checks on their return to permanent residence in the Russian Federation in accordance with Russian legislation during the period of validity of the privatization check.

3. The interests of owners of privatization checks who are incapable or of limited capability are represented by their legal representatives, guardians, and trustees in accordance with Russian legislation.

4. The procedure for minors in state care, as well as people in jail, to exercise their rights to use privatization checks is laid down by the Russian Government.

Article 3. Procedure for Issuing Privatization Checks

1. Privatization checks are issued to persons defined in Points 1 and 2 of Article 2 of this Statute or to their legal representatives, guardians, and trustees in accordance with procedure laid down by Russian legislation.

2. Lists of persons who have the right to obtain privatization checks in accordance with this Statute are drawn up by local administration organs in citizens' places of permanent residence and by troop unit (formation) commanders on the territory of and outside the Russian Federation.

3. The procedure for drawing up lists of persons eligible to receive privatization checks outside the Russian Federation on behalf of Russian citizens abroad is laid down by the Russian Government. Local establishments of the Savings Bank of Russia issue privatization checks in accordance with lists drawn up by local administration organs on presentation of identification, and to legal representatives, guardians, and trustees on presentation of a document confirming their authority.

Citizens of the Russian Federation who do not come under this article receive privatization checks in accordance with the procedure laid down by the Russian State Committee for the Management of State Property in conjunction with ministries and departments.

4. A written explanation of the procedure for the use of privatization checks is handed out when they are issued.

5. The procedure for issuing privatization checks is regulated by directives ratified by the Russian State Committee for the Management of State Property.

Article 4. Use of Privatization Checks

1. Regardless of where they are received, privatization checks can be used throughout the Russian Federation.

2. Facilities to be privatized, as well as shares of stock (share payments) in specialized investment funds which accumulate privatization checks and operate on the territory of the Russian Federation can be acquired with privatization checks in accordance with the statutes ratified by the Russian State Committee for the Management of State Property.

3. Privatization checks which are used to make payments during the privatization process are counted as a proportion of the money from privatization that is channeled into the republic budget of the Russian Federation in accordance with the state privatization program for the year in question and can also, by decision of soviets of people's deputies in republics within the Russian Federation, krays, oblasts, the autonomous oblast, autonomous okrugs, and the cities of Moscow and St. Petersburg, be counted as a proportion of the money from privatization that is channeled into the relevant budgets.

4. Privatization checks are used as a means of payment in the privatization process on a one-shot basis. The procedure for redeeming privatization checks is laid down by the Russian State Committee for the Management of State Property with consideration for the opinion of the Russian Ministry of Finance.

Shumeyko on Continuation of Economic Reforms

LD2608131392 Moscow ITAR-TASS in English 1004 GMT 26 Aug 92

[By ITAR-TASS correspondent Sergey Podyampolskiy]

[Text] Moscow August 26 TASS—The Russian Government will continue economic reforms despite a predicted splash of political struggle around the chosen strategy, according to Russian First Deputy Prime Minister Vladimir Shumeyko.

The main task of the government at present "is to go deeper into reforms and make them irreversible", he told journalists on Wednesday [26 August].

Foreign investments into the Russian economy have totalled one billion U.S. dollars so far and it is hardly possible that they will considerably increase in the near future, according to Shumeyko. In political sphere one should hardly expect that "Western countries are interested in a powerful Russia and will strive to increase investments", he said, adding better conditions should be created for attracting medium and small-scale foreign businesses. They are guided not by political motives, but by possibilities of making profits, he stressed.

Shumeyko believes there is enough legislation for attracting foreign investors, however, they are scared away by undeveloped market infrastructure in Russia.

The main tactical task at present is to carry out a forced restructuring in industry. A programme to support priority types of production is being worked out. Those enterprises which will not gain state support will have to survive by themselves and look for better ways of management, according to Shumeyko.

Only state protectionism for the most important enterprises can stop industrial slump. "It is no longer possible to wait until market relations will regulate all processes", the first deputy prime minister said, adding the state protectionism does not interfere with market reforms.

Shumeyko said the Russian Government might cooperate with the opposition, but with the constructive one only. He named the "Civic Union" bloc among potential partners, as it is possible "to work with them, to argue on methods and forms of implementing reforms".

However, no attention will be paid to communist hardliners and leftist radicals, as they are united by the absence of a serious economic programme. "Only pure criticism comes from them. From the economic point of view they can be paid no attention to", Shumeyko said.

Interviewed on Production Slump

LD2108214592 Moscow ITAR-TASS World Service in Russian 1104 GMT 20 Aug 92

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow, 20 August—The task of halting the slump in production without interrupting the progress of reforms in industry was discussed today by representatives of ministries and departments at a conference conducted by Vladimir Shumeyko, first deputy chairman of the Russian Government.

"If one can react rather calmly to the slump in production of earth-moving machinery by 70 percent and cranes by 40 percent, then a slump in the production of consumer goods—foodstuffs, refrigerators, television sets, and washing machines—is absolutely inadmissible," Vladimir Shumeyko said in an interview with an ITAR-TASS correspondent. That is why it is necessary to take urgent measures. As a result of the exchange of views, he continued, we agreed to draw up a program of priorities that will determine the main guidelines for activities in the industrial sectors and even for specific types of production. According to Shumeyko, it will be possible with the aid of this program to "carry out state protectionism, i.e. to support the sectors so as to put a stop to the decline in production. This in no way means, however, that such enterprises must remain state-owned—all forms of ownership will exist."

At the same time, the further progress of the reforms that must become irreversible will be ensured. The first vice premier reported that meetings with producers of all sectors are to be held very soon in order to coordinate the program of priorities and then to submit it for examination by the government. Vladimir Shumeyko was at particular pains to point out that the program is not a component part of the government's program to deepen the reforms. It needs to be seen as a sequence of essential measures throughout industrial production.

Notes Priority Support to Enterprises

LD2408135392 Moscow ITAR-TASS in English 1311 GMT 24 Aug 92

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow August 24 TASS—"A comprehesive state support will be given to Russian enterprises nominated to be of priority importance," First Deputy Chairman of the Russian Government Vladimir Shumeyko told TASS on Monday [24 August].

He said that the work on the problem at an expert level would be completed by mid-September, and a corresponding decision would be taken by the government depending on its results.

Shumeyko explained that the system of state protectionism no longer envisages allocation to enterprises of material and technical resources as it was done before. The support can be rendered by means of reducing taxes and granting of subsidies, as well as providing credits and cancelling customs duties.

Other enterprises which do not fall into the preferential category actually face the law of bankruptcy.

"The need for such a law has become evident, and it should not be feared," Shumeyko said. Such a law primarily stipulates structural perestroyka of the economy. Enterprises will not be shut down, they will merely switch over to new production for which there is great demand.

According to Shumeyko, all enterprises will be auctioned by October 1, 1992, and in order to do so, priorities should be determined and state support given to those enterprises without which the economy will collapse.

Bank Head's Comments Evoke Criticism

PM2508152792 Moscow IZVESTIYA in Russian 25 Aug 92 Morning Edition pp 1-2

[Mikhail Berger article: "Russian Central Bank Head Calls for Revision of Reform Plan"]

[Text] In a WASHINGTON POST interview Viktor Gerashchenko, acting chairman of the Central Bank of Russia [CBR], stated the need to revise the key provisions of the economic reform plan which is supported by the IMF and which opens up the way to receive Western aid.

In addition, Gerashchenko made a very critical appraisal of the tough monetary policy being implemented in Russia with the support of that same IMF. The head of the CBR believes that an uncompromising approach to realizing the reform plan could destroy Russia's economy. It also follows from the interview that a high-ranking IMF delegation is to visit Moscow this week to discuss the problems of providing state enterprises with more money. Gerashchenko said that he intends to seek a revision of the ceiling on centralized credits agreed earlier with the IMF (no more than 700 billion rubles before the end of the year).

Gerashchenko also declared that the government's statement of intent to make the ruble convertible as of 1 July reminds him of a fairytale. At the same time the head of the CBR remarked in his interview that the government itself has approved a number of measures (increasing grain purchase prices, increasing wages in the state sector) which will undermine its ability to fulfill the conditions set by the IMF.

With regard to recent measures that increase state spending, Gerashchenko even complained that he had learned of them from television broadcasts. In this connection it is possible to note that the government and the head of the CBR have engaged in tit for tat, as it were. Gerashchenko learned of the decision increasing state spending from a television broadcast. Many people in the government learned from THE WASHINGTON POST that the leader of the national bank considers the tough monetary policy wrong and calls for the main provisions of the economic program to be revised.

But, of course, the problem is not that the executive branch and the CBR, which is subordinate to parliament, give each other insufficient information about their actions but that they hold substantially different views on the methods of implementing the reform. This difference became apparent in the now celebrated telegram on the mutual offsetting of enterprises' debts during Gerashchenko's very first weeks in office. THE WASHINGTON POST interview only adds a certain conceptual clarity to this difference and shows the further deepening of "mutual misunderstanding."

True, in the opinion of Sergey Aleksashenko, executive director of the Expert Institute of the Russian Union of Industrialists and Entrepreneurs, it is not possible to speak of fundamental differences in the policies of the government and the CBR for the simple reason that the government's recent actions attest to a lack of an integral policy.

A high-ranking government official declared in connection with Gerashchenko's interview that such statements strike at Russia and cause an immediate severe cooling of relations with the West. In addition, he said, the head of the CBR has failed to notice that internal convertibility, which is all that has been mentioned in government statements, already exists. Any enterprise can buy currency on a currency exchange, and any citizen can get it from banks that have permission for currency operations. It is another matter that the price of currency does not suit everyone. The government spokesman also pointed out that Gerashchenko's position is a manifestation of old views characteristic of the former Union government, in which the present head of the CBR served.

But, whatever tit for tat exchanges there may be between the CBR and the government might, it is important to know how the IMF and the World Bank will react to Gerashchenko's tough statements. As is well known, the IMF has already made real concessions in agreeing to a deviation from the freeing of the prices of energy sources announced in the Memorandum on Economic Policy. Many experts, including ones connected with international financial organizations, believe that Russia will not in fact be able to keep down inflation and the budget deficit within the framework agreed with the IMF. Will the IMF make further concessions?

Commentaries that have appeared in the Western press attest to the possible termination of the granting of the promised credits to Russia. In particular, the JOURNAL OF COMMERCE, the newspaper of U.S. business circles, writes of this. But presumably the IMF Board of Directors is faced with a difficult choice. On the one hand, they realize that the granting of stabilization credit which is not followed by stabilization is a waste of money. On the other, the role of the IMF as a financial intermediary between the G-7 and Russia obliges the fund to pursue a milder policy than usual (the first concessions are evidence of this).

But how far is the fund prepared to go with these concessions? The IMF must either continue seeking compromises or say "no" and abandon its role in relations between the West and Russia—which, in the opinion of certain informed observers, could call into

question the positions of the IMF itself. The Fund, which has hired more than 200 new staffers (approximately 10 percent of the total number) "for Russia" alone, is hardly prepared to do this.

Ministry Grants Right To Export Raw Materials

OW2408210392 Moscow INTERFAX in English 1613 GMT 24 Aug 92

[Transmitted via KYODO]

[Text] INTERFAX learned that, at sessions held August 11 and 19, the board of the Russian Ministry of Foreign Economic Ties (MFET) registered the first foreign economic enterprises, groups of enterprises, and firms which were given the right to export strategically important raw materials. According to available information, the list includes 51 enterprises whose main items of export will be oil, gas, oil products, and mineral fertilizers.

The registration of enterprises and organizations with the authority to export strategic raw materials was based on a decree issued by the Russian president June 14, 1992 "On the procedure for exporting strategically important raw material goods." The decree states that beginning September 1 the export of strategic raw materials from Russian territory will be allowed only on contract of foreign trade enterprises registered with the Russian MFET.

The next applications from foreign economic organizations will be considered at the MFET session on Wednesday, August 26.

Ministry Reports on Foreign Economic Policy

OW2108054892 Moscow INTERFAX in English 1817 GMT 20 Aug 92

["Point of View" section of "Trade & Investment" feature—transmitted via KYODO]

[Text] Concentrating Russia's foreign economic and political activities toward developed Western nations is not in the best interests of the country. This opinion was expressed in a report prepared by specialists from the Ministry of Foreign Economic Relations titled: "Russia's Strategy in Foreign Economic Relations: Reference Points, Opportunities, and Plan of Action for 1992-1993". A pro-West orientation, attractive for the short term, does not consider all of the long-term factors and will result in Russia's status in the world economic system "as a permanent outsider", the report said.

Why Do Russia's Foreign Economic Activities Need Geographical Adjustment?

Russia needs a diversified foreign economic policy; specialists from the Ministry of Foreign Economic Relations believe that the republic should concentrate on developing nations. However, the evolution of Russia's foreign economic relations has shown different tendencies. The share of developed nations in Russia's foreign economic turnover in export grew from 36% in 1990 to 57% for the first five months of 1992, imports grew from 40% to 64%. Nearly 80% of all joint ventures were formed with Western firms and all hopes for foreign capital are resting on Western organizations.

The authors of the report use the following arguments in favor of changing the geopolitical orientation of Russian foreign economic policy.

Preservation of Existing Orientation of Fuel and Raw Materials Export.

Products from the fuel and raw materials group dominate exports to Western nations. Increased exports of these goods are unlikely since they lack adequate consumer attributes for these markets and are subject to growing protectionism and competition. Industries which do not meet the economic interests of Western nations, but constituting the most competitive core of the Russia economy are thus doomed to extinction. Attempts are being made to include Russia in various programs for the nonproliferation of leading technology.

Developing Nations Supply Valuable Raw Materials.

With the fall of the Soviet Union Russia was forced to import various types of mineral resources. These should come from CIS nations, several former socialist states and developing nations, as well as Australia and South Africa.

The report states that among Russia's primary interests are:

—The restoration of economic ties with CIS nations, namely, trade with Kazakhstan for nickel, copper, and molybdenum; with Armenia for copper and molybdenum; and with Ukraine for manganese;

—the restoration and expansion of ties with former socialist nations; Poland (copper, lead, and zinc), Yugoslavia (bauxite, copper, lead, zinc, and mercury), Cuba (nickel), Mongolia (copper), and China (copper, titanium, and tantalum).

—The organization (increase) of shipments of vital raw materials from Guinea and Guinea-Bissau (bauxite), Australia (titanium, tantalum, bauxite), Mozambique, Zaire, and Madagascar (tantalum), Venezuela (vanadium), Peru (tungsten, lead, flourine, phosphate, copper), Brazil (tungsten, titanium, tantalum, niobium), and Chile (copper and molybdenum).

Consumer Goods Cheaper in Developing Nations.

Exports from Third World nations are much cheaper than similar products from developed industrial nations; these goods to a large extent cover Russia's needs for agricultural products from tropical regions and consumer goods.

High Technology Meets Russian Requirements.

Leading technology from developing nations is suitable for modernization programs in Russian firms, although it is not on a par with Japanese and American technology. Nevertheless, this technology can be purchased much cheaper and even on a non-hard currency basis.

Developing Nations Are Important Market for Weapons and Military Technology.

Weapons and military technology are vital Russian exports and constitute more than half of all exports to developing nations.

World Trade for Hard Currency not in Russia's Best Interests.

The need to base foreign economic ties on world prices reflected in hard currency will increase the cost of imports and devalue Russian exports.

Financial institutions in the north are more interested in the shift to world trade using hard currency than are southern nations. Russia, which is having a difficult time managing its foreign debt, must participate in foreign trade on another basis.

The authors of the report believe that in relations with former socialist nations Russia should move away from ineffective bilateral trade on a compensation basis and incorporate multilateral offset of mutual requests and in the long run introduce a new unit of payment.

Stabilizing the ruble could facilitate a "weak currency" market. Stabilizing the ruble against the dollar is based on the steadiness (in relation to the dollar) of currencies of those nations which are leading consumers of Russian exports (China, Vietnam, and southeastern nations). The market rate of the ruble in hard currency for transactions mediated by the national currencies of these nations is higher than direct quotation of the ruble in hard currency.

Geopolitical Allies.

Relying on friendly relations primarily with the north may have and has already had negative consequences for Russia, a Eurasian state; these consequences range from the non-payment of debts to the loss of possible sales markets and potentially large sources of financing which in principle may able to replace Western credits.

Although the report has not been discussed by parliament or the government "IF" [INTERFAX] experts believe that decisions on foreign economic ties made by the latter correspond to proposals made in the report. The recent threefold increase in import duties is a protectionist measure against developed nations who export manufactured products.

Air Traffic Controllers May Strike

OW2508210592 Moscow INTERFAX in English 1859 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] At an emergency plenary meeting the Federation of Air Traffic Controllers' Unions of Russia has decided to ask the Russian President to take personal charge of the controllers' problems and demands.

It also decided to send a letter to the parliament chairman demanding that an independent parliamentary commission be formed to investigate measures taken by some officials during the strike of August 15.

The Federation has also begun to compile a databank on violations of safety regulations by the Air Transport Department and local Aeroflot bodies, which put flight safety at risk. The data will be used in the lawsuits the Federation is going to bring against those responsible for the violations.

The Federation demanded that the Russian Prosecutor General, V. Stepankov, stop the prosecution of strikers, but meanwhile it will start preparations for a strike of protest against the persecution of controllers.

Industrial Enterprises Threaten Strike

LD2508203892 Moscow ITAR-TASS in English 1906 GMT 25 Aug 92

[By ITAR-TASS correspondent Din Inamov]

[Text] Moscow August 25 TASS—"In case the government does not completely fulfill all our demands before September 15, the coordinating committee of representatives of labor collectives from enterprises and organizations of the Moscow region industrial branches will have the right to declare strike readiness," says a resolution adopted today by industrial branch representatives at a conference in Moscow.

"The urgent fulfillment of all measures to overcome crisis in the industry is needed to prevent social explosion and large-scale halt of enterprises," coordinating committee chairman Mikhail Antontsev told ITAR-TASS.

In his opinion, it is primary important to make the offset of mutual debts of enterprises of all forms of property throughout Russia and establish a system of mutual payments with CIS states, solve the fate of enterprises with the negative payment balance, make the indexation of circulating assets with granting credits to enterprises, and provide for the faultless functioning of the financial-credit system and the cash-monetary circulation.

In addition, cases of late wage, salary and other payment through the fault of banks must be excluded. Otherwise, collectives of industrial branch enterprises intend to begin active large-scale actions, said Antontsev.

Agricultural Issues

Ministers Council To Indemnify Debts to Farmers

OW2508204292 Moscow INTERFAX in English 1803 GMT 25 Aug 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin"—transmitted via KYODO]

[Text] The sources close to the Russian government inform INTERFAX that the Cabinet of Ministers is planning to indemnify the debts to the farmers on the "Harvest '90" vouchers. In order to effect this, the Russian Ministry of Economics has been instructed to allocate $280 mn [million] for purchasing goods via the TSENTROSOYUZ state trading agency. This organization is expected to receive over $90 mn worth of Korean-made consumer goods from the RF [Russian Federation] ministry of external economic relations.

The "Harvest '90" vouchers will be covered by the hard currency income resulting from the export of 200,000 tons of crude oil. The Russian ministry of trade resources in cooperation with the TSENTROSOYUZ will determine the list of Russian goods and their actual quantities in order that they could be used to cover the vouchers.

Vice President Chairs Agricultural Meeting

LD2208112492 Moscow ITAR-TASS World Service in Russian 1035 GMT 22 Aug 92

[By ITAR-TASS correspondent Igor Shubin]

[Text] Moscow, 22 Aug—Russian Vice President Aleksandr Rutskoy has assessed positively the activities of the operational headquarters for bringing in and safekeeping the harvest. He chaired a regular sitting by this coordinating body in the Kremlin today. In the last month the rates of harvesting and procurement of agricultural products have become more active. Cereals have been cut from 49 percent and threshed from 45 percent of sown areas. Eight million four hundred thousand tonnes of grain out of the threshed 58 million tonnes have been procured to the state resources, which amounts to 29 percent of the volume of compulsory supplies.

The decision, though slightly belated, to increase grain procurement prices has assisted this to a large degree. According to Aleksandr Rutskoy, however, the operational headquarters had to work under difficult conditions. The vice president himself does not have real levers to solve economic problems and many officials simply ignore the headquarters' sittings. Also, the level of executive discipline at all levels of state management is extremely low.

[Moscow INTERFAX in English at 1545 GMT on 22 August in a similar report adds: "Russia's Vice-President Aleksandr Rutskoy told the Harvesting-1992 Committee on Saturday that he was seriously concerned about grain harvesting. By August 17, 8.3 million tons of grain had been put in storehouses, but at least 58 million tons were still on the threshing-floor.

["And yet, the vice-presdient does not consider the situation to be hopeless. In experts' estimate, Russia can do without exports of grain, vegetables and other agricultural produce if a special programme is drafted, Aleksandr Rutskoy told INTERFAX.

["Special attention was paid to the problems facing livestock and poultry farms which experience a dire shortage of fodder."]

Rutskoy Interviewed on Progress

LD2308054692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 22 Aug 92

[From the "Novosti" newscast]

[Text] Vice President Rutskoy's agricultural headquarters confirmed today, with figures, a relatively comfortable situation with grain. Grain has been mowed and threshed on almost half of the areas.

[Correspondent G. Solomatin] The fourth routine expanded session of the operational headquarters for carrying out the harvesting campaign and ensuring the safety of the 1992 harvest took place in the Kremlin this morning. The session was chaired by Russian Vice President Aleksandr Rutskoy.

[Begin recording] [Rutskoy, talking to a group of officials] You ought to meet, after all, the ministers of railway transport, the minister of internal affairs, and the minister of security, because there is a free-for-all in transport. Trains are being robbed; trains are being guarded by people armed with machine-guns, you see.

[Solomatin] How would you improve the headquarter's work?

[Rutskoy] Let us have a look at a percentage of what has been brought in. Active work started three weeks ago. Look, what the situation was a month ago or even less—3 percent, whereas today it is 30 percent. After all, there is progress. At least, we are somehow coordinating the issues of cooperation. It would be simply difficult without this organization. You see what is taking place. Even here, within the headquarters, one has to force people to interact. [end recording]

Rutskoy Team Experts Criticize Pricing Program

LD2408133292 Moscow Russian Television Network in Russian 1000 GMT 24 Aug 92

[Announcer-read report by presenter Mikhail Ponomarev—from the "Vesti" newscast]

[Text] Experts in Vice President Rutskoy's team have come to the conclusion that the the government's ill thought-out pricing program has placed Russian agriculture in an extremely difficult position. The specialists believe that the situation is being made worse by the uncontrolled export of grain and animal husbandry produce from Russia.

Minister Says Feed Supply 'Catastrophic'

PM2508160992 Moscow ROSSIYSKAYA GAZETA in Russian 25 Aug 92 First Edition p 3

[ITAR-TASS report: "Cows Will Die Without Subsidies"]

[Text] Viktor Khlystun, Russian minister of agriculture, has announced at a news conference that the situation is worst in stockraising. The state of affairs regarding the supply of feed to stockraising is quite catastrophic. According to him, hog farming is receiving only 58 percent of the feed it needs, and poultry only 64 percent.

V. Khlystun admitted that without state support it will currently be impossible for stockraising to make a profit out of producing meat, milk, eggs, or wool. "Following the increase in purchase prices for grain the former level of state subsidies no longer ensures even minimal profitability in the sector," V. Khlystun admitted.

Farmers Call Strike; To Stop Grain Shipments

PM2508150392 Moscow SOVETSKAYA ROSSIYA in Russian 25 Aug 92 p 1

[Correspondent Yu. Belyayev report: "Tired of Doffing Their Caps. Vyatka Peasants Halt Grain Sales to State"]

[Text] Kirov—"All opportunities for us to reach a compromise with the government have been exhausted. The policy they are pursuing to stifle the peasantry has exceeded all conceivable limits of endurance and has forced us to resort to an extreme measure—to strike. We are proposing to stop all grain shipments to the state from tomorrow..."

Extraordinary and pressing events have forced Ye.A. Agafonov, director of "Krasnogorskiy" Sovkhoz and chairman of the Kirov Oblast strike committee, to rise from his sick bed and pronounce these words at an extraordinary session of the committee. In recent weeks, this audience, which the state has tormented with its taunts, has heard them repeatedly, but each time the peasants have found a way of refraining from using extreme measures, clinging onto a ray of hope which has been becoming increasingly illusive. In an attempt to avoid the impending confrontation, they have held two conferences of farms' labor collectives, several sessions of the strike committee, the conciliation commission, and the courts of arbitration, and have adopted a mass of appeals to government departments, cherishing the hope that they would be understood. Even when the red pennants of reforms had encircled the peasants, like a pack of wolves waiting to be slaughtered, when the farmers were left with just one last trump for survival in their hands—grain, a way out was found in the form of an agreement between the "Kirovkhleboprodukt" Association, the strike committee, and the Peasants' Union to buy up grain—primarily the famous Vyatka rye—at 15 rubles [R] per kilogram. The price was not the highest possible, but it nevertheless gave the farms a chance to survive, when they had been robbed by the disparity in prices and had mortgaged their fixed capital to obtain bank loans. The total of almost 100,000 tonnes of grain which has been dispatched since the beginning of the harvest against the mandatory total of 220,000 tonnes offers eloquent proof of the correctness of collectively tackling the tense situation.

But the peasants hardly had time to catch their breath when there came another blow—the Russian Federation Government resolution "On Payment for Grain Being Delivered to the State Reserves from the 1992 Harvest," with a fair share of cunning in its preamble. It says that this is being done "with a view to providing the population with a steady supply of food and boosting the grain producers' interest in meeting the mandatory deliveries of grain to the state." In other words, they are taking from the peasant his last possession, but for his own good, having offered only R8 (yes, 8) per kilogram of rye, which hardly covers the production costs. The agreement which had been reached was broken, and confrontation became unavoidable.

The confrontation will last until the previous price is reestablished, or until the strike committee makes a special decision. A standing group of farmers has been formed which coordinates the strikers' actions, and an account has been opened into which it has been decided to transfer R1,000 from each farm. An appeal to the farmers of neighboring regions to support the strike has been published, as well as a demand to the Russian Coordinating Council to hold an emergency session at which representatives of the striking oblasts will participate.

The countryside's reverence for the city authorities has vanished, as has the trepidation with which the peasant has since time immemorial doffed his cap to the bosses. Having been tricked on many occasions and robbed on countless others, Mikula Selyaninovich [archetypal peasant]—the formidable force with which any force will have to reckon—has finally dropped his plow and raised his head high. The Vyatka peasants have also decided to halt the supply of milk to the city on 10 September by way of a warning strike in order to lend a bit of extra weight to the course of action which has been forced on them.

Effectiveness of Grain Fund Decree Assessed

PM2608121792 Moscow IZVESTIYA in Russian 26 Aug 92 Morning Edition p 1

[Valeriy Konovalov report: "Peasants Still Not Admitted to Market But Invited to Grain Fund"]

[Excerpts] Russian President Boris Yeltsin has signed a decree on the creation of a federal grain fund. The

purpose is to guarantee deliveries of grain products to regions which will be unable to provide themselves with grain. [passage omitted]

Aleksandr Klepikov, chief of a section of the Russian Committee for Grain Products, told us that only 11.6 million tonnes of grain have been purchased to date—less than one-half the contract volume (by this date last year the figure was 15.5 million tonnes). Only three oblasts—Orel, Bryansk, and Lipetsk—have fulfilled their contractual commitments. The main grain regions—the Kuban, Stavropol Kray, and Rostov Oblast—are in no hurry to sell grain to the state. Purchases are proceeding only slowly in Voronezh Oblast, where a good harvest has ripened and the weather is excellent for harvesting.

The thing is that even increased purchase prices remain fixed and do not take account of the inevitable increase in the cost of resources for the countryside, and so they do little to encourage peasants. The situation is becoming increasingly alarming in those regions with limited possibilities for their own grain production. The federal fund is being created in order to provide them with grain products. It is to be formed both by means of state purchases in Russia and by means of purchases from CIS countries—primarily Kazakhstan—and also from imported grain. It is hard to predict how effective this measure will prove, since this decree does not add anything substantially new or market-related to the state's relations with peasants.

Military Issues

Careers of New Top Military Appointees Noted

PM2508140192 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 92 p 1

[Unattributed report under the general heading: "Appointments"]

[Text] As reported in the previous issue of KRASNAYA ZVEZDA, a Russian Federation presidential decree has appointed the commanders in chief of Russian Federation Armed Forces' branches of service.

Colonel General Vladimir Magomedovich Semenov, Commander in Chief of the Ground Forces

He was born in the village of Khurzuk in the Karachayevskiy Rayon of Stavropol Kray's Karachayevo-Cherkess Autonomous Oblast 8 June 1940.

He graduated from the Baku Higher Combined Arms Command College in 1962.

He began his service as the commander of a motorized rifle platoon. He then became a company commander. In 1970, after graduating from the M.V. Frunze Military Academy, he was appointed commander of a motorized rifle battalion and then chief of staff of a regiment. He became regiment commander in 1973, and chief of staff and deputy commander of a division in 1975. He graduated with distinction from the Military General Staff Academy in 1979. He became commander of a division in 1979, commander of an army corps in 1982, commander of an army in 1984, and first deputy commander of the Transbaykal Military District in 1986.

He was appointed commander of the Transbaykal Military District in 1988. He became commander in chief of the Ground Forces and USSR deputy defense minister in August 1991.

Colonel General Igor Dmitriyevich Sergeyev, Commander in Chief of the Strategic Rocket Forces

He was born in the town of Verkhniy in Voroshilovgrad Oblast 20 April 1938. He graduated from the P.S. Nakhimov Black Sea Higher Naval College, specializing in missile shore batteries, and was assigned to the commander in chief of the Rocket Forces in 1960. He has held various engineering command positions. He became chief of staff of a regiment in 1971.

After graduating with distinction from the F.E. Dzerzhinskiy Military Engineering Academy's Command Faculty in 1973 he was appointed commander of a regiment. He became successively chief of staff and commander of a division in 1975.

After graduating from the General Staff Military Academy he was appointed chief of staff and first deputy commander of a missile army in 1980. He became chief of the operations directorate and deputy chief of the Rocket Forces Main Staff in 1983, and first deputy chief in 1985. He became deputy commander in chief of the Rocket Forces for combat training in 1989.

Colonel General of Aviation Viktor Alekseyevich Prudnikov, Commander in Chief of the Air Defense Forces

He was born in Rostov-na-Donu 4 February 1939. He graduated from the Armavir Pilots' Military Aviation College in 1959.

He began his service as a pilot-instructor at an aviation training regiment. After graduating from the Yu.A. Gagarin Air Force Academy he was appointed deputy commander of an air force squadron in 1967.

He became commander of an air force squadron in 1968. In 1970 he became deputy commander of a fighter aviation regiment for flight training. A year later he was appointed commander of a fighter aviation regiment. In 1973 he became deputy commander and in 1975 commander of an Air Defense Forces division. He became first deputy commander of an Air Defense Forces independent army in 1978.

In 1981, after graduating from the General Staff Military Academy, he was appointed first deputy commander, and in 1983 commander, of an independent Air Defense Forces army. He has commanded the Moscow Air Defense District since 1989.

Admiral Feliks Nikolayevich Gromov, Commander in Chief of the Navy

He was born in Vladivostok 29 August 1937. He graduated from the S.O. Makarov Pacific Higher Naval College in 1959, specializing in gunnery. He rose through the ranks to commander of a gunnery department in 1965. He was with the Pacific Fleet from 1967 through 1976 as executive officer and commander of a destroyer, light cruiser, and a command and control cruiser [kreyser upravleniya].

After graduating from the Naval Academy's academic courses in 1977 he was appointed chief of staff of the training ships division at the Leningrad Naval Base. From 1981 through 1984 he was chief of staff and then commander of an operational squadron. He graduated from the Naval Academy as a correspondence student in 1983. From 1984 through 1992 he was first deputy commander and then commander of the Northern Fleet. He graduated from the General Staff Military Academy as an external student in 1991.

He became first deputy commander of the Navy in March 1992.

Tasks of Military Personnel Directorate Outlined

PM2508140992 Moscow IZVESTIYA in Russian 22 Aug 92 p 2

[Unattributed report: "There are Many People Fussing About the Army, But Soldiers' Lives Are Not Improving"]

[Text] A Main Directorate for Work with Personnel has been set up by order of Russian Defense Minister Pavel Grachev. You will recall that back in 1991, when military-political organs of the USSR Armed Forces, KGB troops, Ministry of Internal Affairs internal troops, and railroad troops were eliminated by decree of the USSR president , the Armed Forces Main Military-Political Directorate, GlavPUR in common parlance, was abolished along with them.

But moral, psychological, and military education is necessary in any army. Therefore organs of combat training and military and moral and psychological education in the Armed Forces—a Committee for Work With Personnel—were soon set up on the basis of GlavPUR.

Now it has been renamed again—a Main Directorate for Work With Personnel has been set up instead of the committee. What is it—just another change of label?

The Main Directorate for Work With Personnel is virtually a new structure, Colonel General Valeriy Mironov, Russian deputy defense minister, said. It was set up as a result of an order by the defense minister, who, in turn, was acting on the basis of the statute on the Russian Federation Defense Ministry signed by President B. Yeltsin.

Unlike the notorious GlavPUR, this directorate does not intend to exercise control and wield power. All its decisions will be more in the way of analyses and recommendations.

According to Valeriy Mironov, social protection for servicemen is one of today's most acute problems, and it will lie within the directorate's purview. Despite the fact that more than 20 different foundations and committees are busy dealing with social protection for servicemen, their lives are not getting better as a result. What is needed first and foremost is not foundations, but a state program for servicemen's social protection and legal documents—on defense, on pensions for servicemen, and on war and Armed Forces veterans. General Mironov announced that such a program will be adopted in the very near future.

The directorate will directly deal with young officers' problems.

Officers Allowed To Quit After 5 Years' Service

PM2508122192 Moscow ROSSIYSKIYE VESTI in Russian 22 Aug 92 p 2

["Russian Federation Law on Discharging Officers From Active Military Service in Accordance With Their Own Wishes" signed by President B. Yeltsin and dated 17 July 1992, followed by "Russian Federation Supreme Soviet Resolution on the Procedure for Implementing the Russian Federation Law 'On Discharging Officers From Active Military Service in Accordance With Their Own Wishes,'" signed by Supreme Soviet Chairman R.I. Khasbulatov and dated 17 July 1992]

[Text] **Russian Federation Law on Discharging Officers From Active Military Service in Accordance With Their Own Wishes**

In addition to the grounds envisaged by Article 63 of the USSR Law "On the General Military Service Obligation," officers who have not reached the age limit for active military service may also be discharged from active military service, that is, discharged early, in accordance with their own wishes provided that they have at least five years' military service in the Armed Forces since graduating from a military educational establishment.

[Signed] President of the Russian Federation B. Yeltsin

[Dated] Moscow, House of the Soviets of Russia

17 July 1992

No. 3324-1

Russian Federation Supreme Soviet Resolution on the Procedure for Implementing the Russian Federation Law "On Discharging Officers From Active Military Service in Accordance With Their Own Wishes"

The Russian Federation Supreme Soviet resolves:

To bring into effect the Russian Federation Law "On Discharging Officers From Active Military Service in Accordance With Their Own Wishes" from the moment of its publication.

[Signed] Chairman of the Russian Federation Supreme Soviet R.I. Khasbulatov

[Dated] Moscow, House of the Soviets of Russia

17 July 1992

No. 3325-1

Military Banned From Engaging in Business

PM2608123192 Moscow KRASNAYA ZVEZDA in Russian 26 Aug 92 p 1

[Russian Federation Defense Ministry Press Center report: "Either Commerce or Military Service"]

[Text] In execution of Russian presidential decree No. 361 "On Combating Corruption in the System of State Service," dated 4 April 1992, Russian Federation Defense Minister Army General Pavel Grachev has issued an order banning servicemen from engaging in entrepreneurial activity.

Henceforth they are not entitled to provide any assistance not envisaged by the law in entrepreneurial activity to either our own or foreign businessmen involving the use of their official position or to receive remuneration, services, or benefits from them for this. Servicemen are also forbidden to take extra paid work or participate in the management of joint-stock companies, limited liability partnerships, or other economic entities either personally or via intermediaries or a representative.

'Clarification' Issued on Military Pay

PM2508142792 Moscow KRASNAYA ZVEZDA in Russian 21 Aug 92 p 2

[Unattributed report: "Russian Federation Defense Ministry Press Center Clarification"]

[Text] The Russian Federation Defense Ministry Press Center clarifies that the information on wages contained in the report entitled "Problems of Workers and Employees Discussed" (KRASNAYA ZVEZDA, 18 August 1992) concerned not the Defense Ministry's budget-financed organizations, where the level of wages is 32 to 45 percent higher than in similar budget-financed civilian departments, but only its economically accountable organizations, where wages depend on the efficiency of work and the profit earned.

Report on Pay Raise Corrected

PM2508143592 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 92 p 3

[Unattributed report: "Mistake Made"]

[Text] In connection with the forthcoming increase in wages and pay scales for workers at budget-funded establishments and organizations, the Russian "Vesti" program made a mistake when reporting the Russian Federation president's relevant decree. It was stated that as of 1 September wages would be increased by 50 percent for servicemen too.

In actual fact the Russian Federation President's Decree No. 895 of 19 August this year states:

"The Russian Federation Government shall examine in the fourth quarter of 1992 the question of raising pay norms for servicemen and command personnel, taking account of the measures envisaged by Russian Federation Government Resolution No. 382 of 6 June 1992 'On Increasing the Pay of Servicemen and Command Personnel.'"

Military Leaders Confer on Discipline 20 Aug

PM2508123392 Moscow KRASNAYA ZVEZDA in Russian 22 Aug 92 p 1

[Report under the "Russian Federation Defense Ministry Press Center Reports" rubric: "Conference of Leadership Personnel"]

[Text] A conference of Armed Forces leadership personnel was held at the Russian Federation Defense Ministry 20 August to discuss the state of military discipline among the troops and in the fleets.

The report was delivered by Valentin Panichev, chief of the Main Directorate for Oversight of the Execution of Laws in the Armed Forces, chief military prosecutor, and state counselor of justice third class. Specific urgent measures were defined to strengthen law and order, to prevent incidents and crimes, and to enhance the responsibility and performance of servicemen of all categories.

Kokoshin Wants Industrial Policy, Protectionism

PM2508144392 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 92 p 3

[ITAR-TASS Military Observer Andrey Naryshkin report: "Andrey Kokoshin on Industrial Policy"]

[Text] Moscow, 24 Aug—There are many imbalances in our national defense industry and, as a result, in the former USSR Armed Forces, Andrey Kokoshin, Russian first deputy defense minister, believes. In an interview with an ITAR-TASS observer he stated today that these imbalances have very considerably diminished the Armed Forces' real combat might. For instance, while we have fine strike systems, in terms of many parameters we lag behind when it comes to information support or command, control, and communications systems for them. As a result, despite our relatively large investments and our special programs, we are lagging behind more and more—particularly in electronics.

Without our own highly developed microelectronics base, Kokoshin noted, we will be unable to rely either on

boosting the country's industrial, scientific, and technical development in general or on ensuring Russia's defense capability at a modern level.

Andrey Kokoshin noted that "this should be a policy of an in-depth, long-term restructuring not only of industry but of the national economy as a whole, not least by creating a modern services sphere." In the immediate future we will at the very least have to maintain our positions where we are strong and then gear ourselves to those technologies in which we currently lag behind but which really determine and will continue to determine Russia's industrial might and national prestige.

I am convinced, Kokoshin said, that a national industrial policy could be one of the main catalysts of the national accord which the Russian president and the Supreme Soviet leadership are calling for.

Gearing a considerable number of front-ranking sectors to the foreign market is justifiable for Russia, Kokoshin believes, but in most cases the creation of purely export-oriented production facilities would be inexpedient owing to the existence of a huge domestic market. At the same time, it will be necessary to fight for the Russian market. On the whole, Kokoshin stressed, we will be unable to do without major protectionist measures to protect a number of industrial and agricultural sectors.

Attracting foreign capital to Russia is becoming increasingly difficult under current conditions. Despite the huge size of our market, its attractions for the West have notably diminished of late in many aspects. While striving to attract foreign investment to Russia and promoting increased profitability for those investments through measures of state regulation, we must at the same time carefully work out where injections of foreign capital would be most desirable, and where they would be unacceptable from the standpoint of sovereignty and national security, Andrey Kokoshin concluded.

Kokoshin Notes Lack of Electronic Technology

LD2408113192 Moscow ITAR-TASS in English 1116 GMT 24 Aug 92

[By ITAR-TASS military analyst Andrey Naryshkin]

[Text] Moscow August 24 TASS—The national defence industry and, consequently, the Armed Forces of the former Soviet Union are being racked by numerous imbalances, according to Andrey Kokoshin, first deputy defence minister of the Russian Federation.

Kokoshin told ITAR-TASS today that these imbalances have considerably reduced their real defence potential. While having highly efficacious strike weapons, we lag behind others in information support equipment and control and communications system.

Without its own microelectronic base Russia cannot hope to either boost the country's industrial, scientific and technical development or ensure the proper level of Russia's defence capability, Kokoshin said.

Economic Use for Krasnoyarsk Radar Facilities

PM2108115792 Moscow KRASNAYA ZVEZDA in Russian 21 Aug 92 p 1

[ITAR-TASS report: "Krasnoyarsk Radar Station Installations Left to National Economy"]

[Text] By an ordinance of the Russian Federation Government, it has been decided that installations left behind following the dismantling of the former Krasnoyarsk Radar Station will be used in the national economy. It has taken note of the fact that the CIS Joint Armed Forces High Command stopped the dismantling of the receiving and transmission installation buildings at the Krasnoyarsk Radar Station and will resolve the question of transferring them to the Russian Ministry of Fuel and Energy. The Ministry of Fuel and Energy, together with the Krasnoyarsk Kray administration, has been instructed to prepare draft documentation for the re-equipping of the remaining installations at the former radar station into a furniture combine and other production installations for the manufacture of consumer goods to the American side. [sentence as published]

Regional Affairs

Sakhalin Official Seeks Japanese Economic Ties

OW2208130992 Tokyo KYODO in English 1142 GMT 22 Aug 92

[Text] Yuzhno-Sakhalinsk, Russia, Aug. 22 KYODO—A senior Sakhalin official asked Japan Saturday [22 August] to promote economic ties with Russia as it searches for a solution to the decades-old territorial dispute over four Russian-held islands, Japanese officials said.

The official reportedly told a Japanese delegation led by Koko Sato, chairman of the Executive Council of Japan's ruling Liberal Democratic Party, that economic exchanges between Japan and Sakhalin are losing steam and that business has been decreasing.

The Japanese study mission composed of four members of the House of Representatives is now in Sakhalin for talks with leaders of the Far Eastern Russian province and officials in charge of the contested islands off Japan's northernmost main island of Hokkaido.

The former Soviet Union seized the islands of Etorofu, Kunashiri, Shikotan and the Habomai Islets in the closing days of World War II. Tokyo maintains the return of the islands is a prerequisite for full-scale aid to economically troubled Russia and the conclusion of a bilateral peace treaty.

The Sakhalin official attributed the dropoff of bilateral business to Japan's linkage of the territorial row to the

promotion of economic exchanges. He said he hoped Japan would enhance mutual understanding by simultaneously tackling political and economic issues, the Japanese officials said.

They said Sato countered it is necessary to resolve the territorial row before business ties between the nations can be improved.

"There is no country in the world that separates politics from economy. Step-by-step settlement of the territorial dispute would lead to the friendly relations between the two countries in the true meaning of the word," Sato was quoted as saying.

While in Sakhalin, the Japanese mission also compared notes with four representatives of the residents of the disputed islands.

Sato reportedly told them Japan will give top priority to the current islanders on the timing and conditions of the return of the islands if Russia confirms Japan's sovereignty over them.

The Japanese agreed with the Russians that a series of visa-free visits between residents on the islands and former Japanese islanders have deepened mutual understanding and reaffirmed the need to continue dialogue of this kind in the future, the Japanese officials said.

Situation in Kurils 'Sharply' Deteriorating

LD2408182392 Moscow Programma Radio Odin Network in Russian 1500 GMT 24 Aug 92

[Text] According to the press center of the All-Russian Committee for the Defense of the Kurils, the socioeconomic situation in the Kurils has sharply deteriorated in the last few months. The (Galan) concern has agreed to invest 2 billion rubles in developing the economy of the Kurils. However, the remittance of funds from a number of enterprises and organizations to the concern's own account in accordance with contracts previously concluded has suddenly stopped, for reasons unknown. Possibly the unseemly actions of certain anti-state circles in the Russian Government, who wish to make living conditions for the islanders insufferable and urge them toward agreeing to become annexed to Japan, have played their role here. The press center expresses hope that the obstacles to rendering aid to the population of the southern Kurils will be removed.

Stavropol Grain Purchase Problems Reported

PM2508103992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Aug 92 p 2

[Report by O. Shapovalov: "Above Abyss in the Rye; Title of This Famous Story Acquires Special Meaning in Stavropol Kray"]

[Excerpts] Nature itself would seem to be favorably disposed toward the present government just as for the three previous years it has favored the union government, at any rate in the south of the country. The year 1990 was a record one in terms of the gross grain harvest. Last year Stavropol alone harvested 5 million tonnes of grain. This year the motherland of the first and last president of the USSR is again prepared to place on its own table and the Russian table a handsome Russian loaf weighing 4.9 million tonnes. [passage omitted]

What is most terrible and unexpected of all is that for the first time in 60 years of collective farms the obliging peasant has refused to put grain in the motherland's granaries. Sabotage? A plot? Malice? Who has incited the peasant to undermine state grain procurements and destroy the very foundation of the entire agrarian complex?

This has been done not by opposition parties, not by plotters, not by foreign subversive centers, but, however regrettable it may be, by the state itself. Having given the peasant a little more will and lured him with the prospect of the market, the state has proved reluctant to buy grain from him at existing market prices. As before they are forcing the grain out of the collective farm members. Matters have not yet reached the point of food requisitioning but there are many other methods of coercion—economic and administrative—making it possible to retain a more or less respectable "democratic appearance" while playing dirty. [passage omitted]

The purchase prices released from Moscow to the governorates have been adopted for execution by the administrations, and the rural inhabitants' market dreams have been given up for lost. What grain market can there be in Stavropol Kray if of the nearly 5 million tonnes of grain that has been harvested it is planned to leave only i14,000 tonnes for barter and exchange deals?

The state has kindly agreed to take from the peasants this year only 30 percent of the average gross annual harvest in previous years. A big concession. Upon checking it turns out to be bureaucratic chicanery and juggling with figures. The years in question were record ones, producing an extremely abundant grain harvest. The result is that out of this year's more modest harvest many farms have been obliged to sell the state not 30 percent but 50 percent. Half!

M. Varshavskiy, the kray administration's adviser for questions of the agro-industrial complex, believes that it is premature to speak of a grain crisis. In fact there is grain! And if they have been in no hurry to sell it (by the middle of August just 40 percent of the grain due for compulsory deliveries to the state had reached the elevators) now, at the new prices, the grain is flowing in a river. The state will receive in full what is due to it.

The staffers of the grain products administration have a less optimistic view of the situation: The rates of delivery are three to four times slower than in previous years and farms can delay deliveries under the terms of contracts until 31 December. The grain is lying on the threshing floors, in some places under the open sky, and is losing its quality.

Never before have Stavropol's gophers, pigeons, and field voles been so fat as in the summer of 1992....

The present crisis is primarily the peasants' crisis of faith in state structures implementing agricultural policy. In the government. The state, which in many spheres today is displaying weakness and atrophy, is displaying unexpected toughness with regard to the countryside, is interfering and "making corrections." If only it were doing this successfully, promptly, and wisely, but as always it is late. Why was it necessary to wait for the eruption of anger among the peasants and the completion of the harvest in the south? Did no one forecast the situation? A wave of protests was easily subdued, but the problems were not removed.

In general terms, whatever the price the state has set for grain today from the peasant's viewpoint it cannot be fair. Only the market or exchange, to which the grain producer is not allowed to issue grain, can dictate conditions today.

The hall where the Stavropol commodity exchange holds auctions is half-empty. They are trading in slate, bricks, houses, whatever you like except the most natural and widespread commodity here—grain. According to Yu. Nastatukha, manager of the Stavropol commodity exchange auctions, the kray grain products administration long before the start of the harvest campaign had had consultations with the exchange officials and expressed the readiness to buy some of the grain at market prices and through market structures. Moscow put a ban on that, evidently fearing the additional expenditure and inevitable subsidies and the "market elements." Ultimately they nonetheless ended up with what they had been trying to avoid: State purchases at prices virtually indistinguishable from market prices, while the extra cost of bread baking will have to be paid from the budget since the forecast price of a loaf (up to 40 rubles in Stavropol Kray and up to 70-80 rubles in Moscow) is seen as a signal to rebel. [passage omitted]

Orenburg Grain Yield 'Significantly Higher'

PM2508112592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0500 GMT 21 Aug 92

["Novosti" newscast video report by Yu. Karasevich]

[Text] A total of 30 rayons out of 36 in Orenburg Oblast have now started harvesting grain. The yield is significantly higher than last year—by an average of eight quintals per hectare. And the gross grain harvest is expected to be in the region of 6 million tonnes. In the past few days, up to 5,000 tonnes of grain has been handed over every day to this kolkhoz, Sverdlov Kolkhoz in Akbulakskiy Rayon. Here it is cleaned and sent to the elevators. The farm has already handed over 34,000 tonnes of rye, including its deliveries against state orders and to the oblast stocks. Incidentally, the winter rye crop has yielded 32 quintals per hectare this year. The machine operators have now started harvesting barley and wheat.

Tomsk-7 'Super Secret' Nuclear Reactor Closed

OW2508142092 Moscow Central Television First Program and Orbita Networks in Russian 1855 GMT 23 Aug 92

["Utro" video report by A. Pelt]

[Text] [Pelt] Our crew was allowed to enter the super secret installation of the Siberian Chemical Combine. A nuclear reactor for producing plutonium for military and industrial purposes was activated here 31 years ago; the people here have spearheaded the creation of the country's atomic shield. Vyacheslav Yudin, deputy chief of the reactor who first activated it in 1961, pressed the "stop" button at 6 A.M. Moscow time on 14 August.

Our group had a unique opportunity to stand in the very womb of the reactor which has just been stopped. Right now, I am standing on what is known as Reactor No. 3.

The specialists' opinion is that the manufacture of plutonium could continue for quite a few years. The site has operated with no incidents up till now, and has a triple safety and control system. It was the process of disarmament and conversion that made it necessary to push the "stop" button. [video shows interview with V.V. Yudin, deputy chief of reactor]

[Begin video recording] [V.V. Yudin] To put it bluntly, I used to swell with pride. After all, this is a reactor, and we are strengthening our defense—our shield—here. It was wonderful. We really believed this was necessary work, a sheer joy. We were just a little upset that we could tell no one about it, since naturally it was all secret. But today I feel sad. [end video recording]

[Pelt] The reactor will remain closed for five years, after which it will be dismantled. With its closure, the ecological situation around Tomsk—which numbers half a million people—will improve greatly. But there is also a downside—the most experienced personnel at the reactor will be left jobless. Taking into account this site is the third one to be closed, the problem of unemployment in the city of Tomsk-7 will become a major one.

Urals, Siberia Unemployment at 'Crisis Point'

PM2508124592 Moscow ROSSIYSKIYE VESTI in Russian 22 Aug 92 p 2

[Igor Sukhanov report under the "Bad News" rubric: "Plants Standing Idle...."]

[Text] A total of 72 industrial and 22 construction enterprises in Irkutsk Oblast have been forced to grant their workers extra leave owing to a cutback in production volumes. Consequently 7,500 skilled specialists are without work, and just one in eight has kept part of his salary. Moreover, over 10,000 workers at 21 of the oblast's enterprises have been switched to part-time working.

In Nikolayevsk-na-Amure there is a risk that the work force at the seaport—one of the city's largest enterprises—will be cut by one-fourth. Incidentally, food and industrial goods are delivered to the northern regions of Khabarovsk Kray via the seaport at Nikolayevsk-na-Amure, but work on the docksides is drying up precisely because this freight is not coming in.

Jobs are continuing to be shed at enterprises in Vladimir Oblast. Five major consumer goods enterprises have come to a standstill in Aleksandrov, two in Kolchugino, four in Murom, and three in Gorokhovets.

At a republic seminar-conference held in Chelyabinsk to discuss ways of realizing the Russian Government's resolution "On the System for Vocational Training, Skill Enhancement, and Retraining of Released Workers and the Unemployed Population," it was noted that the number of unemployed people in Russia is growing geometrically, while the number of vacancies at enterprises is falling at the same rate. O. Slavutskiy, deputy director of the Russian Federal Employment Service, believes that the unemployment situation has reached crisis point in the Urals and in certain oblasts in Siberia and the north of the country. Unless vigorous measures to retrain released workers are urgently taken, serious social conflicts could threaten society in the very near future.

Tatar Leader Discusses Independence Referendum

MK2608132092 Moscow NEZAVISIMAYA GAZETA in Russian 25 Aug 92 p 3

[Tagir Agliullin report under "Tatarstan" general heading: "'There Has Been No Strengthening of Democracy'—Press Conference by President Shaymiyev"]

[Text] At a press conference in Kazan dedicated to the anniversary of the 21 August 1991 victory by democratic forces, Tatar President Mintimer Shaymiyev said that this victory should have led to a further strengthening of democratic principles in society but that this had not happened, as proof of which he cited the Russian leadership's campaign against the 21 March referendum on independence for Tatarstan: "...it can be said that there are multiple standards regarding the expression of free will and the principles of the self-determination of peoples, because when the Tatar people strive for them many democratic forces do not like it. Yet when the very same thing happens in Ukraine or the Dniester region, these forces are quite happy. These are completely different standards, and it is unacceptable. Democratic principles should operate identically everywhere. Attempts at economic pressure, even on those republics which have signed the Federation Treaty, testify to a lack of skill in reaching agreements by political methods. Nobody will gain any success from this now, but unfortunately certain state authority forces are resorting to these methods."

Mintimer Shaymiyev stressed that the meeting between the leaders of Kazakhstan, Bashkortostan, and Tatarstan in Uralsk 18 August was prompted by dissatisfaction with Russia's actions, doubt about the Russian leaders' ability to conduct democratic reforms, and the need to protect their republics' populations from the economic crisis.

The Tatar president also expressed a firm hope that a treaty on the demarcation of authorities between Russia and Tatarstan will be signed this year.

International Affairs

Defense Minister Critical of CIS Naval Command

LD2108213692 Kiev Radio Ukraine World Service in Ukrainian 2200 GMT 20 Aug 92

[Text] The chief of staff of the former USSR Navy, currently of the CIS, is attempting to continue leadership over the Black Sea Fleet, said Ukrainian Defense Minister Kostyantyn Morozov. All issues concerning the Black Sea Fleet should be resolved as soon as possible, noted the minister.

Accusations of UN Sanction Violations Denied

AU2508140792 Kiev HOLOS UKRAYINY in Ukrainian 19 Aug 92 p 3

[Commentary by Oleksiy Yevsikov: "There Are No Violations"]

[Text] **Does Ukraine adhere to the UN sanctions against Serbia and Montenegro? A briefing in Ukraine's Foreign Ministry dealt with this question, and representatives of our state's River Fleet, Customs Service, and Ministry of External Economic Relations and Trade took part in it.**

It was pointed out that information disseminated in some mass media, particularly that of Western mass media, which has alleged that Ukraine of continuing to supply Serbia and Montenegro with manufactured goods is not true. We fully adhere to UN Security Council Resolution No. 757 and to the corresponding resolution adopted by Ukraine's Cabinet of Ministers regarding the sanctions. Concerning our ships that enter Serbian ports (it is mainly them that are referred to in talks about violations by Ukraine of the decisions on sanctions), they either carry auxiliary operations there (for example, filling up with water) or unload the cargo that goes to Macedonia via Serbia. The UN resolutions do not prohibit this. As a HOLOS UKRAYINY correspondent was informed by I. Byelov and O. Nayda, representatives of the River Fleet, there were no reports on disappearance of transit cargo on the territory of Serbia or Montenegro. Besides, it was confirmed by the State Customs Committee and by the External Economics Relations and Trade Ministry that Ukraine does not conduct any import-export transactions with these two republics of the former SFRY. This is despite millions of losses in currency.

Yeltsin Congratulates Kravchuk on Independence

LD2608013492 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1800 GMT 25 Aug 92

[No video available]

[Text] On the occasion of Ukraine's independence day, Russian Federation President Boris Yeltsin sent a telegram to Ukrainian President Leonid Kravchuk. The Russians, says the telegram, are familiar with the mood and the feelings with which Ukraine is celebrating this significant event. Today, our people are willing to strengthen their reborn statehood. I am convinced that in the framework of this unique historical event, Russia and Ukraine are able not only to preserve but to develop the existing ancient traditions of relations of friendship and cooperation between the people of our countries in the interests of creating new partnership on the basis of respect for each other's sovereignty and fulfilling the norms of the international law. Russia confirms the adherence to such a policy as that of unconditional priority in its state politics and intends to act in the spirit of the agreements reached in Dagomys and Yalta. The president of Russia wished to the people of Ukraine, thriving and success in all spheres of life.

Chinese Delegation Concludes Visit

LD2508195992 Moscow ITAR-TASS in English 1733 GMT 25 Aug 92

[By UKRINFORM correspondent Ivan Sayko for TASS]

[Text] Kiev August 25 TASS—Ukraine and China have considerably boosted their contacts since the recent establishment of direct diplomatic relations, said vice chairman of the Chinese parliament standing committee Seypidin, who headed a delegation of Chinese parliamentarians on visit to Ukraine between August 18 and 25.

The delegation was received by Ukrainian President Leonid Kravchuk and Supreme Soviet Chairman Ivan Plushch. It also had meetings at the Ukrainian Cabinet of Ministers and Kiev administration heads, visited industrial enterprises and agroindustrial facilities.

The sides stressed there are no obstacles in the development of direct relations between Ukraine and China and there are all grounds for dynamic development of mutually beneficial cooperation.

The Chinese delegation left Odessa for Moscow today to further depart for China.

Friendship Documents Signed With Uzbekistan

LD2508203592 Moscow ITAR-TASS in English 1904 GMT 25 Aug 92

[By UKRINFORM correspondent Viktor Demidenko for TASS]

[Text] Kiev August 25 TASS—Ukraine and the Republic of Uzbekistan intend to further develop and consolidate friendly relations, protect human rights, expand and deepen political, economic, scientific, technical, cultural, humanitarian and ecological cooperation, the Ukrainian-Uzbek negotiations were told here today.

Upon the negotiations completion, Presidents Leonid Kravchuk and Islam Karimov signed a treaty on fundamentals of interstate relations, friendship and cooperation between Ukraine and the Republic of Uzbekistan.

The Ukrainian and Uzbek Governments concluded an agreement on trade and economic cooperation in 1993.

The agreement was signed by Ukrainian Prime Minister Vitold Fokin and state secretary under the Uzbek president Rakhim Radzhabov.

The negotiations also resulted in signing a protocol on the establishment of diplomatic relations between Ukraine and the Republic of Uzbekistan.

National Affairs

Kravchuk Interview on Independence Anniversary

LD2508115892 Moscow Mayak Radio Network in Russian 0630 GMT 24 Aug 92

[Interview with Ukrainian President Leonid Makarovich Kravchuk by Mayak Political Observer Yuliy Semenov on the first anniversary of Ukraine's proclamation of state independence, from the Ukrainian Radio studio in Kiev—live]

[Text] [Semenov] We are in the studio of Ukrainian Radio, Kiev Radio, with Leonid Makarovich Kravchuk, the first popularly elected president of independent Ukraine. Leonid Makarovich, we very much appreciate the fact that you have found it possible to meet Mayak listeners in a live broadcast on the actual anniversary. I would like to take this opportunity to congratulate you on this major national holiday, the anniversary of the proclamation of Ukrainian independence. [words indistinct] The first question I have is this: When did you feel you were president of a genuinely independent Ukraine?

[Kravchuk] That is an interesting question. I would first like to say how pleased I am at the opportunity to address all the citizens of the former Union, particularly Ukrainians, and to wish them all the best on the holiday being observed by Ukraine today. It really is a big holiday for us, this anniversary of our independent state. I must say that the history of the development of our statehood has no precedent, in which Ukraine as a state existed a whole year with such status and such territorial integrity. It is the first such historical instance. It gives us great satisfaction, although from the very start we decided that the holiday was one thing, but that the main thing was to focus attention on the tasks and problems that needed to be tackled, because very great and responsible work lies ahead. I did not immediately feel I was president....

[Semenov, interrupting] President of an independent Ukraine.

[Kravchuk] Right. I did not feel I was president immediately after my election. Those were days of excitement, naturally, both on the spiritual level and on the purely human level. Early in the year, somewhere around 15 January, when we had determined the direction of our economic, international, and other policies, when we started to make decisions and adopt documents on our own, without regard for other forces and other political structures outside the Ukraine, at that time I—and not just me, I suppose, but also our Supreme Soviet and government—sensed the opportunities that had opened up for us to live and work as an independent and democratic state, to build this state, to take responsibility for it, to seek to achieve mutual understanding with all political forces in Ukraine, and to seek the support of the people as we tackle the tasks that we face. They are extraordinarily difficult and complex tasks. They are simply out of the ordinary. They are tasks that we have started to perform for the first time.

[Semenov] Leonid Makarovich, it cannot be a coincidence that Ukraine's independence proclamation day is in some measure connected with the events of last August in the former Union, above all in Russia. What is your view of the position of Russia and the Russian leadership on Ukraine's acquisition of independence?

[Kravchuk] Naturally this is connected since it was exactly on 24 August that the Supreme Soviet gathered for an extraordinary session, proclaimed independence, and adopted an act of independence. All the events which took place before the putsch prepared the act. They were very intense. After all, there was an effort to preserve the Union. The old structures were trying to prevent peoples and states from determining their truly independent statehood.

The putsch brought all that into the open. The example of what took place in Russia, in Moscow, had repercussions in Ukraine, and this became the detonator—I would say—the impulse which provided Ukraine with the possibility of proclaiming the act of independence so quickly. Frankly speaking, we did not think that we would manage to do this and the referendum so quickly. However, that was the way it happened.

Of course, we understand very well that the proclamation of independence itself—that act and everything else—were only a beginning. Therefore, everything that followed was determined by a period of changes. The period from the act to the presidential elections, and after the presidential elections, was a time to develop ideas and various structures, a time to find long-term solutions to all the tasks facing us precisely during this period.

Russia showed understanding for us. The first congratulations I received, one of the first, was from Boris Nikolayevich Yeltsin. However, I could see that Russia and the leadership of Russia are not one and the same at all.

[Semenov] The leadership is not uniform, frankly speaking.

[Kravchuk] Yes, you are right. Where can you find such a state nowadays, Ukraine including, where everybody is like-minded? There are different points of view. However there are forces which today are coming out against the achievement of independence not only by Ukraine but by other states too.

It is painful to sometimes hear statements about an integral and indivisible Russia, statements which allege that

this is a kind of misunderstanding, that the formation of independent states is a deviation from a general law. The blame is put on Gorbachev or other forces. However, people simply do not understand a simple and objective logic: Yes, one can blame leadership for some things, but in such a case it should be blamed not for destroying the Union but for having chosen the path of democracy and for having decided to stop the two powerful forces which kept our peoples obedient. I am speaking about the CPSU and the KGB. If Gorbachev had not let those forces go, the Union would have remained. However, as soon as he let them go, the objective and irrepressible striving of peoples toward independence and the construction of states of their own emerged.

Therein lies the people's great strength and the Russian people's great strength, if it understands that this striving is irrepressible. I was listening to speeches by Russia's famous personalities yesterday and, you know, the whole time I felt an inner protest against such views. For instance, a well-known person says: I cannot put up with the fact that the Union has been destroyed! How am I to live now? I have relatives in Kharkov and somewhere in Belarus.

So what of it? If a Frenchman had relatives in Italy, he would not demand that France and Italy be united. However, in our case, if I have relatives we should unite. It is a pedestrian and, excuse me, primitive idea of the basis on which peoples should unite. Peoples can unite only on a democratic basis, on freedom and equal rights—there is nothing else. If we all build democratic states based on rule of law and equal rights, unification will be objective and logical.

[Semenov] I agree with you in regard to policies, but you know, at the level of mass consciousness, as it were, people simply have to get used to the new situation and to take it in. All this is not easy, don't you agree?

[Kravchuk]: Yes but the progressive thinking cannot .... [changes thought] I agree in regard to the popular masses, but there is the progressive intelligentsia which should not maintain and disseminate this primitive and commonplace perception of political independence. On the contrary, they should instill new understanding.

[Semenov] Leonid Makarovich, there is a question which, perhaps, is of personal nature but I cannot fail to ask it.

[Kravchuk] Yes, yes.

[Semenov] Well, we have recalled last year's events, the coup and all. The other day Boris Nikolayevich Yeltsin, president of Russia, held a news conference and there, when the issue was raised of whether the coup was in earnest or just an operetta, giving examples of the seriousness of the danger which emerged at the time, he said, in passing, that General Varennikov had telephoned from Kravchuk's office in Kiev and shouted down the line: Has Yeltsin been arrested yet? Has Yeltsin been executed yet? I have the feeling that there was some kind of ....

[Kravchuk, interrupting] .... misunderstanding. I believe that Boris Nikolayevich simply made a slip in speaking. He had in mind an office in Kiev but it was not Kravchuk's office but that of Chechevatov, commander of the Kiev Military District, from where Varennikov used to send all coded messages and had telephone conversations with Moscow. There was no conversation from Kravchuk's office. In the office Varennikov behaved the way he had to because right from the start, I put him in his place by asking him a simple and elementary question: Who do you represent and who are you? Please show me your authorization. He could not give any sensible answer to these questions. Therefore, he did not even try to telephone from Kravchuk's office.

[Semenov] Now the following question [words indistinct]. Over the last few days I have seen many faces of representatives of the Ukrainian diaspora, the Ukrainians residing abroad. It is known that for many years there has been a Ukrainian government in exile. My colleagues told me that Mykola Plavyuk had handed you a certificate thereby laying down his power, as it were, and stressing on behalf of the Ukrainian diaspora the legitimate nature of independent Ukraine and you as president. Do I understand it correctly?

[Kravchuk] Not quite. Indeed, there was such a government; after the events which had taken place it had to emigrate. Throughout all these years it has worked outside Ukraine as a continuation of the Ukrainian People's Republic. Presidential functions were passed from one to another, and Mykola Plavyuk was the last president in exile. Now that Ukraine has elected a president in nationwide elections and has determined its own powers, the existence of such a government has become inexpedient, I would say. Therefore, a decision was taken for their activity be suspended, suspended, that is, terminated. What they are passing to us is not powers, but rather, the insignia of those powers, they will be passed on to us for safe-keeping. Their powers are not being passed on, their powers are being suspended. Our powers have been chosen by the people. By this we only emphasize the very essential idea that the Ukrainian People's Republic which existed at the time and our state are related [words indistinct].

[Semenov] I remind our listeners that Mayak is on the air, journalist Yuriy Semenov is in the Kiev studio; Leonid Makarovich Kravchuk, president of Ukraine, is being interviewed live on Ukraine's Independence Day.

Leonid Makarovich, perhaps you have, most of all, worries in connection with some acute economic problems. I have two questions about this - unfortunately we cannot discuss everything during a short conversation. What are the tasks of the Coordinating Council [?about which you spoke recently] and prospects for introducing the hrynya, the national currency. You could start with either of the questions.

[Kravchuk] I will start the way you asked the questions. There is an objective need to coordinate state activity in

the economy. Nevertheless, I always maintain that interstate relations, that is, bilateral economic agreements, is the main and principal thing. Experience corroborates this idea. If we agree with Russia and conclude a wide-ranging political treaty, which is being under preparation now, and an economic agreement in addition, one could say that this will be the basis for our mutual relations. The same applies to Belarus and other states. The Coordinating Council can only analyze, it has no legal or juridical power, and since it has no such power its influence on other states is quite formal.

However, analyzing and giving some sort of promptings - that is possible. I don't mean the sort of council or committee that existed in the past, possessing all sorts of powers and able to apply measures up to, and including, sanctions. This matter has not yet been resolved. So I believe the most important thing for us today is to establish relations with other states. That is the first thing I want to say. The second thing is the introduction of a national currency.

[Semenov] Could I clarify that a bit?

[Kravchuk] Please go ahead.

[Semenov] It is no doubt, difficult to conceal the fact that the experience of introducing coupons in Ukraine was a contradictory one. On the one hand, it helped to solve a number of problems, but on the other hand it's rather .... [changes thought] you arrive in Kiev and at the station you can see coupons very willingly being exchanged for rubles and even (?not) according to the official rate. Will this experience be taken into account?

[Kravchuk] Basically, we wouldn't have brought in the coupons - coupons are a reflection of the ruble. They existed in parallel with the ruble. It had the value of the ruble and it has the value of the ruble today. It does not have its own independent value. However, you can naturally ask why we introduced them.

A second question is where to get rubles in cash. Russia, to date, has been failing to pay four months' salary in many regions. Imagine if we had neither the coupons nor the rubles. We'd have had a revolt. It is even difficult to imagine what could have happened to Ukraine. In that sense the coupons saved us. The second task we want the coupons to perform is that they should take the first blow for the new currency, the hrynya, and that is what our work is aimed at. In the very near future the coupons will acquire value as an independent unit of currency, and after that we shall switch to our own currency, and we have an accord with Russia on this. We will introduce this in a civilized manner, without desiring either one side or the other side to suffer as a result of this being brought in. So it will be based on logical and objective principles, as accepted throughout the world.

[Semenov] So in that respect you're not, as yet, worried about the fate of the hrynya?

[Kravchuk] No, formally the hrynya is being produced and we shall get to the stage of introducing it with a full supply of hrynyas and we shall draw up all the principles of mutual relations and settlements with regard to other states, Russia, and Belarus.

[Semenov] Now, if you'll allow me to switch from the economy to politics. Recently you have on a number of occasions expressed concern at the absence of unity among Ukrainian democratic forces, and as far as I know, you put forward the idea of setting up a coalition government. Could you clarify your position a bit?

[Kravchuk] Yes indeed, our democratic forces have gotten fragmented. I have stressed this in the past and continue to regard this as a major shortcoming of these forces that they were unable to join forces in the course of a year on the basis of building an independent state. That is so. Well, it is difficult to expect full unity today. Nevertheless, we'd like this to happen, and I think the setting up of this democratic congress now, as happened on 2 August, is the start of the unification of these forces, I think, although time will still be needed for certain principles of unification to be found. As far as the further development of the process is concerned, I think that at the basis of the idea of unification will be the construction of our state. You know, we have a certain characteristic feature. There is a danger with every person. Believe me, I would not like any events to occur in Russia which would cause the leadership to change. I have a profound respect for Boris Nikolayevich Yeltsin, and I believe that he is holding Russia together today. Any changes could have serious consequences.

However, even if changes do take place in Russia, Russia's independence is not threatened. Russia will remain Russia, an independent state. Independence has never been in jeopardy - that is, loss of independence, I would say. A feature of Ukraine is that in our country, changes in authority could lead to a loss of independence. That is the crux of the matter.

[Semenov] That is, in the actual present-day situation, the president is the guarantee of independence.

[Kravchuk] The guarantee of independence, indeed. Any changes, any struggle over elections or political games which will start, could lead to an actual loss of independence, and that would not be the first time, either. Our task, therefore, is to stand firm around that ideal of independence, and that ideal can unite the entire state, all forces.

[Semenov] Now for a delicate question - you will soon see why it is a rather delicate one. What impact do you think the rapprochement and improvement in mutual understanding between Russia and Ukraine which has recently come about can have upon the situation regarding the Russian Orthodox and Ukrainian churches?

[Kravchuk] You know, the Orthodox Church, the unique feature of our Orthodox Church, in contrast to the

Catholic churches, for example, is that the Catholic Church is the main thing while the secular power comes in second place, so to speak. In our country, even since Peter I - he was the Tsar, after all - the throne arrogated to itself not just secular power, but also spiritual power. That is the unique feature, and yesterday, the Ukrainian Orthodox Church lifted the anathema from Ivan Mazepa. The Church declared that anathema upon Ivan Mazepa on the direct instruction of the Tsars. So what do I want to say here: leaders, both Ukrainian and Russian, must understand that the church is independent. The relations between our states can play no deciding role in relations between the churches.

[Semenov] But (?the prerequisites) are being created.

[Kravchuk] The (?prerequisites) are being created, that is the main thing. By living in friendship and mutual understanding we shall, as it were, create conditions for the development of a process such that the churches find mutual understanding. However, I have always taken the position, and will continue to do so, that an independent state should have its own independent, wholly autocephalous church. We cannot have a state of affairs where the church in Ukraine is governed from abroad. That is the main and most fundamental issue. Just as our states, the Russian and the Ukrainian, will live in friendship and mutual understanding, as history has destined us to be good neighbors, so there should be a Russian Orthodox Church and a Ukrainian Orthodox Church, and they should live in peace and friendship, but as independent churches.

[Semenov] Indeed, they have to resolve that themselves. We have little time left now. My next question is a serious one, but you may perhaps be able to give a brief reply. What is your forecast on the development of the Commonwealth of Independent States? There are two positions: coordinating bodies have to be (?set up), especially in the economy; while on the other hand, there are ideas for setting up a Union of Independent States. What is your prognosis?

[Kravchuk] You know, sometimes I am surprised by our times - I have said that already - when a former president tells us how to create a Union, and from Matrosskaya Tishina [prison in which August 1991 coup plotters are held] the former chairman of the Supreme Soviet, through the newspaper PRAVDA, is telling everybody once again how they should live and how they should recreate the Union, although they had every opportunity to decide these questions when they were in power.

[Semenov] You know, it is very difficult for a politician to realize that he has had his day.

[Kravchuk] Yes, it is astonishing, simply astonishing, on the whole, seeing that they could not cope with the tasks with which they were entrusted. That is very interesting. You know, there are frontiers which a man should not cross. I always say that. Therefore, I don't take seriously, all the incantations being pronounced today - let's turn back, create a Union! - and that does exist among leaders of some CIS member-states. We must build independent and self-sufficient states and get on with integrating independent states, like Europe is doing. After all, the unificiation of Europe, the unification of European and other structures on the basis of the common market, of common economic problems is the natural and normal desire of economies. However, none of them is raising the question of joining together in a union, that is to say, of losing their statehood.

Here, there will undoubtedly be talk along the lines of: let's set up a coordinating council! Then a committee, then there will be an immediate return to a kind of surrogate of the former Union, and then the question will arise - listen, no heed is being paid to us like this, they are not listening to us economically, let's elect a common President! Let's create common structures of power and return to the good old times! However, that task cannot be fulfilled. The people themselves feel the strength and desire for independence, for national worth, and that cannot be stopped.

[Semenov] Thank you very much. In conclusion, I would like to ask a personal question - if you don't mind. Do you believe in fate? What lies behind that question? Well, you recall there was a time when Vladimir Anatoliyevich Ivashko was leader of the Supreme Soviet and Gorbachev attracted him to Moscow as deputy party leader. If that had not happened then perhaps things would have turned out differently for us? Well, what do you think about fate or destiny in the lives of men and politicians?

[Kravchuk] Strictly speaking, I don't believe in destiny, in some kind of fate. I always note that there is a confluence of circumstances, without fail. However, the main thing is that the confluence of circumstances is just the surface. The movement of political forces, the alignment of forces lies at the basis, the fundamental interests of peoples. Well, the entire structure, the entire superstructure is built upon these interests, and sometimes really inexplicable things occur in these superstructures. People are inclined to attribute them to predestination, to fate, but the confluence of circumstances always plays a role, and the confluence of circumstances occurs through personal qualities. Personal qualities are nothing to do with vital interests. Well, the answer to the question should be sought here.

[Semenov] Fine. And well, as words of farewell, what can you say to this large, many million strong audience of Mayak's in Ukraine and outside Ukraine?

[Kravchuk] Well, first of all, I would like to thank all those who have been listening to us for the patience they probably have shown. However, once again, I would like to express satisfaction over being given the opportunity to address them and to thank those who congratulated us on our independence, to say that Ukraine is building a democratic, law-governed and independent state and has in its sights, the best of relations with all. First of all, with Russia, Belarus, with our immediate neighbors, we would like to live as equals, as brothers, independent, so that there is neither older or younger, nor bigger or

smaller, but for there to be equal, independent states with equal rights. Believe me, if that principle is laid at the basis of our mutual relations, we will build Russia, Ukraine, and other independent and flourishing states because we have a mighty basis, we have talented people, we have the raw materials, we can do more, we have practical experience, we can do all of that if there is the will do so, if there is such an approach. If someone strives to gain the upper hand over someone else, nothing good will come of that.

[Semenov] Leonid Makarovich, thank you once again. Congratulations once again. I will remind the listeners that they were listening to a Mayak program live from Kiev in connection with Ukraine's Independence Day with the participation of Leonid Makarovich Kravchuk, President of Ukraine. Journalists Yuliy Semenov was the intermediary between the radio listeners and the president of Ukraine. Thank you to all. Kiev is going off the air.

[Kravchuk] Yuliy Aleksandrovich, I thank you for the opportunity to talk with you.

[Semenov] That's the third time already.

Further on Rebuke Over 'Parallel' Currency

PM2608100192 Moscow PRAVDA in Russian 25 Aug 92 p 2

[Report by correspondent Ilya Tikhomirov: "President 'Corrects' Bankers"]

[Text] Kiev—The newspaper columns had been festooned with headlines like "Ruble Coming Back," "Panic Over, Coupon Remains," "From Rubles and Coupons to the Hryvna." This journalistic salvo was prompted by a press conference hurriedly held by the leaders of the National Bank of Ukraine, which had announced the temporary authorization (pending the introduction of a full-fledged national monetary unit) of the parallel circulation of both the ruble and the coupon in trade and the services sphere. The salvo proved to be one of blanks. President L. Kravchuk held his own press conference and 'corrected' the bankers:

"I have made no decision to introduce a parallel currency. Nor has the Supreme Soviet. So the National Bank Board chairman and his deputy were able to express their own viewpoint as private individuals. However, they announced it as something already decided. Who authorized them to do so? I do not support their statements, and the program endorsed by the Supreme Soviet will be fulfilled by us. As of 1 October, the coupon will acquire all the attributes of a monetary unit save one, that of a world currency. At some time—it could be October, November, or December—it will start to take the full force of what can happen to money. Only then will we start introducing the hryvna."

A printed denial followed the president's clarification. N. Sivulskiy, first deputy chairman of the National Bank Board , protested: "The statements imputed to me do not correspond to reality."

These people are just "hacks," you see....

Crimean Counterintelligence Chief Arrested

OW2508222692 Moscow INTERFAX in English 1857 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] According to a report of the Sevastopol garrison military Prosecutor's Office, investigating agencies have arrested Captain Oleg Yevsukov, the Balaklavski garrison counterintelligence department chief. The arrested together with one of his associates has been put in custody.

According to the data available, Oleg Yevsukov is charged with taking a bribe totalling $1.5 thousand from a commercial enterprise which sells non-ferrous metals to the Baltic states. He was asked to investigate the enterprise's violations of the Ukrainian legislation, but having received the bribe, the military counterintelligence department chief closed the case. However, representatives of the enterprise informed the Ukrainian Interior Ministry and the Sevastopol military garrison Prosecutor's Office.

Russians Prevail in Army, Defense Ministry

AU2508214592 Kiev MOLOD UKRAYINY in Ukrainian 21 Aug 92 p 3

[Information Section's commentary: "Whose Ministry Do We Have in Kiev?"]

[Text] Among the people working at the headquarters of the Defense Ministry, 264 persons (53 percent) are Russians and only 202 persons (43 percent)—Ukrainians. Russians account for almost 90 percent of the generals. Almost one-half of the officers are of Russian nationality. There are about 80 percent of Russians in the Armed Forces.

A similar situation can also be observed in Ukraine's National Guard. Among commanders of regiments, battalions, companies, and so on, Ukrainians account for no more than 30 percent.

At the same time, about 300,000 Ukrainians—officers and warrant officers—serve outside Ukraine.

Violence in Rivne Between Congregations Noted

AU2508143492 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 25 Aug 92

[Text] A confrontation has taken place between believers in Rivne. In the course of a crowded rally at Independence Square, its participants voted for an immediate transfer of the town's main cathedral to the congregation

of the Ukrainian Orthodox Church Kiev Patriarchate to hold a religious service there on the occasion of Independence Day.

The chairman of the oblast state administration, a meeting with whom the people demanded, failed to come, and the highly strung believers headed for the cathedral, having obstructed traffic along the main road. The door of the office of the Ukrainian Orthodox Church Moscow Patriarchate administration was broken off. Stones flew at the windows.

The guards of the building who had barricaded themselves inside used improvised means that they had prepared beforehand. Unfortunately, blood was spilled.

The law-enforcement organs are presently controlling the situation in Rivne. Roman Vasylyshyn, presidential representative in Rivne Oblast, has arrived at the place of the conflict.

Belarus

Further on Officers Charged With Abuses

PM2508123192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 25 Aug 92 p 1

[Report by L. Krutakov: "Belarusian Generals: Forward for Our Motherland and Our Dachas!"]

[Text] In Belarus, Lieutenant General S. Rumyantsev, commander of the 5th Guards Tank Army billeted in Bobruysk, and his deputy, Colonel Chernov, have been released into the reserve. Another of Rumyantsev's deputies, Colonel Artemenko, has been urgently transferred to a new place of service—the Ukrainian army. Criminal proceedings have been instituted against Colonel Ivanitskiy, deputy for rear services of the 7th Guards Tank Army. Dozens of officers of the Belarusian army's top and middle ranks will probably have criminal proceedings brought against them. Two generals responsible for air defense have been suspended until circumstances have been further clarified.

The reasons for the "tank routing" in Belarus are quite banal: abuse of official positions, squandering of military property, the use of equipment for personal purposes, and simple theft. Those are the preliminary results of the 14 August collegium of the Belarusian Defense Ministry Collegium in Minsk.

Events developed as follows. On 23 March, Major General A. Glyukov, the republic's military prosecutor, sent the district command a submission on the construction of dachas for generals using soldiers as the workforce and military equipment. There followed purely symbolic punishments: from a reprimand to a strict reprimand which suited no one except the culprits. The military prosecutor's office was obliged to send a new submission, to the republic's defense ministry this time, with additional instances of violations. The military prosecutor raised the question of the dismissal of Rumyantsev and his deputies and the institution of criminal proceedings against them.

At the above-mentioned collegium Belarusian Defense Minister Colonel General P. Kozlovskiy confirmed the resignation of 12 officers in the 5th Guards Tank Army alone. It has been decided to study the question of the command's response to the military prosecutor's office's submissions.

The military prosecutor's office has not been allowed to bring criminal charges against Rumyantsev. The generals in command of air defense, who are not yet being named, are also awaiting their fate. Right now the generals' cases are being examined at the republic's general prosecutor's office.

Concluding our talk, A. Glyukov, the Belarusian military prosecutor, stated: "Do not think that matters are better in the armies of the other sovereign states, rather the opposite. It is simply that we have decided to put our own house in order."

Conference on 'National Consciousness' Held

PM2508155592 Moscow IZVESTIYA in Russian 25 Aug 92 Morning Edition p 1

[Mikhail Shimanskiy report under the "From our Correspondents and News Agencies" rubric: "National Consciousness Being Revived"]

[Text] Minsk—An international conference entitled "Shaping the National Consciousness of Belarusians" has been held in the city of Molodechno, not far from Minsk.

The question of national consciousness has become particularly acute in the republic. The Belarusian People's Front and other public movements and organizations believe that the insufficient national consciousness of Belarusians is now preventing the independent state from taking its worthy place in Europe. The conference discussed the influence that history, language, art, and religion have on national revival. The conference's guests of honor included scientists from the United States, Britain, Germany, and other countries.

Moldova

Snegur on Resumption of Dniester Debate

PM2408153992 Moscow IZVESTIYA in Russian 22 Aug 92 Morning Edition p 2

[Report by Svetlana Gamova and Eduard Kondratov: "Dniester Region Proposes 'Crimea-Model Autonomy'"]

[Text] Chisinau—Moldova is taking the first step toward a showdown with the Dniester Region. President Mircea Snegur said this with reference to the resumption of the political debate on the special status of the republic's eastern regions.

Tension has been relieved in the conflict zone, thus enabling both Chisinau and Tiraspol to act and creating conditions for parliamentarians to work in. People on both banks of the Dniester are well aware that it is an important moment for the future of Moldova.

Chisinau's first condition—observance of Moldova's integrity—is most likely to be taken into account, because this brief line in the draft Moldovan version of the law is the guarantee that peace will be maintained. Clashes at this stage of the talks could result in a further outbreak of confrontation, which could ignite yet another, as yet smoldering hotbed—in the south of the republic. The other day, in Comrat, the central city of the Gagauz region, a treaty of friendship and mutual assistance, including military assistance, was signed between its leadership and the Dniester region. In the event of a deterioration in the situation and the resumption of combat actions on the other side of the Dniester, the Gagauz side will support the Dniester region.

The Moldovan parliament's draft law on the status of the Transdniester originally anticipated only the creation of

an autonomous district centered on Dubossary. Tiraspol was limited to the status of a municipality—a city with independent government. The Dniester leadership sees these terms as exploitative, depriving Tiraspol of the government of the region as a whole. They are also against this decision in Dubossary, wanting to preserve the established structure of government in the Dniester region, centered on Tiraspol. The upcoming debate will show whether the Left-Bankers' mood is taken into account in the draft submitted for discussion by parliament. The debate could also make adjustments to the draft Tirasopol settled for, insisting on a federal basis for the treaty between Moldova and the Dniester region.

However, there is yet another version, elaborated by a number of Left Bank deputies, which is regarded by many as a compromise. The draft is a rerun of the "Law on Delimiting Powers Between Ukraine and the Republic of Crimea," adopted by the Supreme Soviet in Kiev. According to it, Crimea remains part of Ukraine and delegates to it only state powers and preoccupations (diplomacy, state security, customs). At the same time, Crimea acquires economic, cultural, and legislative autonomy, that is, it is fully entitled to organize life on the peninsula in accordance with the wishes of its population.

Kiev and Simferopol traveled a long, hard road to reach that document. Deputies' groups, the Supreme Soviet Presidiums, and republic leaders met time and time again, swallowed their pride, overcame grievances and ambition, and kept simmering emotions in check. Most important, they made concessions to one another, aware that the most important thing was to avoid ethnic strife, protect people from violence, and prevent bloodshed.

This version has been picking up points of late. It has support among Moldovan deputies and among Left-Bankers. In their view, "Crimea-model autonomy" reflects existing realities most fully. The Dniester region, which is continuing to acquire its own trappings of statehood, including the creation of a national army, is hardly likely to relinquish what it has achieved. The "third version" effectively enables the region to feel that it owns its own land and therefore, not to insist on leaving Moldova. The Dniester region, which originally steered a course toward economic contacts with Moldova, is not rejecting the possibility of compromise.

The group of Dniester region deputies did not base itself on the Ukrainian final document by accident, of course. In their view, there are obvious similarities: Crimea and the Left Bank of the Dniester have a number of very significant historic, demographic, and linguistic peculiarities which entitle them to have special status within their "greater" states. The people of the Dniester region hope that, if this was appreciated in Kiev, the Chisinau politicians could appreciate it too, since they have the opportunity to preserve the integrity of their state without warring with their people.

Snegur: Dniester Settlement 'Triumph of Reason'

OW2508222192 Moscow INTERFAX in English 1802 GMT 25 Aug 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin"—transmitted via KYODO]

[Text] Moldovan President Mircea Snegur told CNN that the Moldovan-Russian agreement on peaceful settlement of the conflict in the east of Moldova (Dniester) marked the triumph of reason and was a major gain of both countries' democratic forces.

He said that the situation in Dniester may develop in several ways and that there are several variants of defining the left-bank regions' status. He noted, however, that given the pressure of permanent threats coming from what he called separatists it will not be easy for the local population to choose the way "that will justify their hopes".

Moldova's integration with the industrialized states is the key aspect of the economic reform, said Snegur. He remarked, at the same time, that broader contacts with the West should not lead to the rupture of the current contacts with the CIS states. He also said he favoured bilateral agreements within the CIS.

Snegur believes that making the borders with Romania transparent and establishing mutually advantageous cooperation with all states are the best ways of solving the economic and psychological problems facing the citizens of Moldova.

Opposition Criticism of Russian Accord Refuted

OW2608113192 Moscow INTERFAX in English 1018 GMT 26 Aug 92

[Transmitted via KYODO]

[Text] The Moldovan president's adviser Ion Borshevic described as unconstructive the criticism by the opposition parties and movements of the Russian-Moldovan agreement on terminating the armed conflict in Dniester. He told the weekly Feklia that the termination of the absurd war on the banks of the Dniester was the most important thing.

Borshevic believes that Moldova "has always been manipulated by big states". Therefore, he said, the protection of Moldova's sovereignty and independence, as well as peace talks are the first-priority task. However, this should not be to the detriment of relations with the West, East and with the immediate neighbors - Romania and Ukraine.

Sangeli Departs for Evaluation of Dniester

LD2508195492 Moscow ITAR-TASS in English 1611 GMT 25 Aug 92

[By MOLDOVA-PRESS-TASS]

[Text] Chisinau, August 25 TASS—Moldovan Prime Minister Andrey Sangeli left for the Dniester Region today. The goal of his visit is to have a first-hand look at the work of the governmental commission to elaborate measures to repair the material damage in the area of the armed conflict on the left bank of the Dniester River in Moldova and monitor their fulfillment.

Political issues will not be raised during Sangeli's visit, the press bureau of the Moldovan Government reports. In Bendery, Sangeli is expected to discuss issues pertaining to the provision of aid to rehabilitate the city's economy, supply it with food, prime necessities and fuel and also the return of refugees to the city.

In Tiraspol, it is planned to address problems of the industrial sector within the framework of Moldova's single economic mechanism, the normal operation of railways and the power industry.

Official on Dniester Stabilization Possiblities

OW2508213292 Moscow INTERFAX in English 1900 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] The withdrawal of the Russian parachute regiment stationed in Chisinau could begin very shortly, revealed the Moldovan Ambassador, Petr Luchinskiy, at a Moscow press conference on Tuesday [25 August]. He said that the Defence Ministries of the two countries are ready to sign a decree allowing this withdrawal to take place, if the approval of the Moldovan Defence Council is given. However, this would not affect the 14th Army, the fate of which will be decided separately.

The ambassador expressed the hope that the presence of peace-keeping forces would not provoke more hostilities in the armed conflict. Luchinskiy also considered that the non-intervention of General Aleksandr Lebedyev, commander of the 14th army, in the dialogue taking place on the Left Bank, would give the situation in the region a better chance of becoming more stable.

The Moldovan Ambassador is of the opinion that a new territorial administration is now needed in Moldova along with a definition of the status of the Dniester republic in order to solve the whole Dniester question.

Another important task before the Moldovan government is to transfer relations with the Left bank regions from the political plane to an economic one. If this is successfully achieved, a firm basis for peace would be established in the region, in Luchanskiy's opinion.

Luchanskiy told IF [INTERFAX] that Moldova is not leaving the Dniester economy out of its state economic programme. Dniester requirements will be thoroughly observed in the fixing of imports, raw material supplies, fuel and materials.

14th Army Commander on Dniester Situation

OW2508140492 Moscow INTERFAX in English 0942 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] According to Olvia Press agency, it was calm in the past 24 hours in the conflict zone in the Dniester river valley. No clashes were registered. The peacekeeping forces remain in their positions and observe neutrality.

Meanwhile, the commander of the 14th Russian Army stationed on the west bank of the river Major-General Aleksandr Lebed has told a news conference in Bendery that Russia helped and will continue to help the Dniester region. He said his army sticks to "tough neutrality". "There is an army and I am a professional officer and intend to mind my business, he said. As for the internal problems of the Dniester region, I am neutral to them".

On the possibility of the aggravation of the situation in the conflict zone General Lebed said he is no Jesus Christ to put his other cheek when he is slapped on one [as received].

On the activities of the former commander of a Dniester guard battalion in Bendery Yuriy Kostenko who refused to obey Tiraspol, the general said "certain forces are trying to slander the Dniester republic and build a non-existent Afghan connection". He said the purpose is to compromise Afghan veterans among officers.

14th Army Regiment To Withdraw From Bendery

OW2508174992 Moscow INTERFAX in English 1646 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] Russia's President Boris Yeltsin has agreed to the proposal of the Defence and Foreign Ministries to withdraw the 14th army pontoon regiment, stationed near Bendery, from Moldova.

In this connection, the Defence and Foreign Ministries have been empowered to reach an agreement with Moldova on conditions and deadlines for the withdrawal of the regiment and to agree on issues concerning the regiment's transit through Ukraine with its competent bodies.

'Little Effect' Noted on Arms Surrender Order

LD2508220592 Moscow ITAR-TASS World Service in Russian 1151 GMT 25 Aug 92

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 25 Aug—The last 24 hours were fairly calm in the Dniester region. The peacemaking forces, which observe neutrality, continue to monitor the demarcation line.

The time limit for surrendering illegal weapons and explosives, set last week by the Dniester president's decree, expires today. Colonel Mikhail Bergman, military commandant of Tiraspol, has told an ITAR-TASS correspondent that both the decree and the repeated demands by the Republican procurator to surrender weapons have had little effect. The weapons remain in private possession, are often used, and are taken out of the Dniester region. The military commandant's office and law enforcement bodies are taking vigorous measures in order to confiscate the weapons.

Kryange Visits Romania for Cooperation Talks

PM2508152592 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 92 p 3

["Own Information"—ITAR-TASS report: "Moldovan Military 'Exchange Information' with Romanian Military"]

[Text] A Moldovan military delegation headed by the republic's Defense Minister Pavel Kryange has paid an official visit to Romania.

The Moldovan guests familiarized themselves with the activities of a number of Romanian military-industrial complex enterprises, and visited military subunits and a combat equipment exhibition. During talks with the Romanian defence minister, there was a "useful exchange of information" on the activity of the two countries' armies. Ways of bringing about further cooperation between the Moldovan and Romanian military departments were examined.

Popular Front Leaders on Romanian Unification

LD2608011992 Moscow ITAR-TASS World Service in Russian 2200 GMT 25 Aug 92

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau, 26 Aug—Mircea Druc, leader of the Christian Democratic Popular Front of Moldova, declared that the ideal moment for the unification of Romania and Moldova has been missed. Meeting voters in the Romanian town of Constanta as a candidate for the post of President of Romania, he stressed nevertheless "that hope is alive and the fusion of the two states is beyond doubt," the Chisinau newspaper CARA reported today.

At the same time, in the same issue of CARA, Iurie Roska, another of the Front's leaders, stated that "it is essential to direct all effort towards unification precisely now, when borders in this region of Europe are being tidied up. It is a shame to let such an opportunity slip, since history is unlikely to offer it to us again," Iurie Roska emphasized.

Addressing a symposium of the national unification council, held in Bukovina, Iurie Roska stressed that those who thought like him would try to return Bessarabia and northern Bukovina to Romania.

Snegur on More Stable Framework for Business

PM2608111392 Moscow IZVESTIYA in Russian 25 Aug 92 Morning Edition p 2

[Svetlana Gamova report: "M. Snegur Gambles on Entrepreneurs"]

[Text] Kishinev—The government, entrepreneurs, trade unions—this is the triangle with whose support, in the opinion of the Moldovan president, it is possible to count on in resolving the economic problems that exist in the republic. The chief role in the creation of a renewed economy, the president pointed out, belongs to businessmen, whose place is at the center of the reforms.

Addressing a session of the Entrepreneurs Council, set up under the president of the republic, M. Snegur pointed out that a situation has been created in Moldova today in which "embezzlement, bribes, speculation, and other violations of the law of economic order have damaged the republic's economy and public morals. During the first half of this year, according to information about criminal cases, the material damage amounted to 2.5 million rubles, and the number of officials being charged with various economic crimes exceeds 100."

There are other "records" too. Many advantageous offers from abroad have been turned down owing to the incompetence and irresponsibility of government establishments.

The entrepreneurs' share in overall Moldovan production stands at just 8 percent, but "the pace of production and also the growth of labor productivity in these structures give grounds for optimism." In the state sector these indicators are constantly falling.

Stabilization of the political situation in Moldova is the basis for the successful implementation of economic reforms. In the president's opinion, "the process of establishing lasting peace has entered a new qualitative stage—that of a parliamentary debate on defining the status of all regions of Moldova." There are three draft laws, and "in order for them to be debated successfully, it is necessary to abandon ambitions—and thus rule out entirely, the possibility of a repeat conflict."

The Moldovan president also pointed out that it is very important to regularize relations with the CIS countries.

Kazakhstan

Appeal Made to Organizations To Collect Grain

OW2508180892 Moscow INTERFAX in English 1644 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] On Tuesday [25 August], the Republican Party of Kazakhstan appealed to public organisations to co-ordinate peasants in efforts to collect the grain harvest. Sobetkazy Akatayev, the party's president, told IF [INTERFAX] that Nursultan Nazarbayev, President of Kazakhstan, had "highly praised" the party's initiative and instructed some of his own aides to co-ordinate the initial stage.

Akatayev underlined that the biggest harvest for 15 years is anticipated this year-about 30 mn. [million] tonnes of grain. "The future progress of political reform in the republic depends on the success of the harvest", he emphasised further.

In his opinion, the grain harvest has become the republic's "main political task". He appealed to all parties and democratic organisations to "put aside their arguments" for a while and form a base from which volunteer brigades could be dispatched to collect the harvest.

Nazarbayev Proposes Restoring Economic Ties

PM2508154592 Moscow PRAVDA in Russian 25 Aug 92 p 1

[Correspondent Dmitriy Gutenev report under the "Firsthand" rubric: "Five Presidential Proposals"]

[Text] Aktyubinsk—On his visit to Aktyubinsk Oblast, Kazakhstan President Nursultan Nazarbayev visited the Chilisay phosphate combine. The enterprise, built by the former Union to meet its needs, has now closed down.

"Chilisay is a graphic example of what the ruptured economic ties among the former republics has led to," Nazarbayev told your correspondent. "Half a billion went into its construction, but it has turned out to be needed by no one. Everyone thinks about himself alone, and fails to realize that this ultimately hits everyone. Of course later we suddenly remember that if phosphate is not applied to the soil, you can't expect a good harvest. We will not allow the combine to stop once and for all, we will convert it to produce copper concentrate from the ores of Aktyubinsk Oblast or another product. However, we have already suffered losses. The slump in the economy today is comparable to the start of World War II. I have therefore submitted a proposal to the Commonwealth Economic Council that the ruptured ties be restored.

"The first package of measures designed to initiate the normal unification of our economic ties should comprise five components: the current Economic Council, an economic court, a banking union, an interparliamentary assembly to harmonize legislation, and a strong defense alliance. Provided, of course, that the independence and sovereignty of each party is ensured, as is done worldwide."

Nazarbayev Supports Entrepreneurs Council

OW2508133192 Moscow INTERFAX in English 0943 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] In Kazakhstan President Nazarbayev has supported the idea of forming a council of industrialists and entrepreneurs. At its founding meeting on Monday [24 August] he said that the new organization should influence the country's policy and economy and support the initiatives of the president.

Speakers were concerned about the disruption of ties between CIS companies and pointed out to growing difficulties in exporting Kazakh goods to CIS and other countries due to high export taxes and the lack of coordination between the customs services of Kazakhstan and neighboring CIS countries.

At the suggestion of Nursultan Nazarbayev the Vice-Premier Oleg Soskovets was elected the president of the council. It was decided to hold the first congress of the country's industrialists and entrepreneurs in September.

Kazakh Dissident Seeks Asylum in Azerbaijan

PM2508153392 Moscow PRAVDA in Russian 25 Aug 92 p 1

[Zaur Kadymbekov report under the "Brief and To the Point" rubric: "Dissident as Sign of Sovereignty?"]

[Text] Yet another sign of the sovereignty of the former union republics, which are now independent states, is that Aron Atabek Nurushev, chairman of the Alash party which is in opposition to the Kazakhstan authorities, has asked for political asylum in Azerbaijan, inaugurating the dissident register in that republic. He himself attributes the step to persecution of the Alash party and its leaders by the authorities and the banning of its publication—the newspaper KHAK.

Tajikistan

Decree Approves Opening of Embassies, Consulates

LD2508190592 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 25 Aug 92

[Decree by the President of the Republic of Tajikistan on the Opening of Embassies and General Consulates of the Republic of Tajikistan in Foreign Countries]

[Text] 1. Embassies of the Republic of Tajikistan are to be opened in the Islamic Republic of Afghanistan, the Islamic Republic of Iran, the Islamic Republic of Pakistan, the Kingdom of Belgium, the Kingdom of Saudi Arabia, the People's Republic of China, the Republic of Turkey, the

United States of America, and the Federal Republic of Germany. A general consulate of the Republic of Tajikistan is to be opened in New Delhi, India.

2. The Cabinet of Ministers of the Republic of Tajikistan is instructed to determine the structure and staff of the embassies and consulate generals of the Republic of Tajikistan in the aforementioned countries, and to find necessary funds and currencies for maintaining them.

[Signed] Rakhman Nabiyev, president of the Republic of Tajikistan
[Dated] Dushanbe, 25 August 1992

Afghan Border Violations Increase 'Considerably'

LD2608104592 Moscow ITAR-TASS in English 0841 GMT 26 Aug 92

[By KHOVAR-TASS correspondent]

[Text] Dushanbe August 26 TASS—The situation on the Tajik-Afghan border remains alarming. A large gang of armed men, returning from Afghanistan to Tajikistan, was arrested there tonight by a special task force on one of the stretches of the Pyanzh border guard unit. The armed-to-the-teeth violators of the state border surrendered to the border guards without putting up any resistance. A few hours later five men from the Kurgan-Tyubinskiy region of Tajikistan were arrested in the same place by local border guards. The men tried to go over to Afghanistan, as they said, "in search for weapons".

According to the special task force command, the number of border violations, both from Afghanistan and vice-versa, has increased considerably. As many as 30 inhabitants of the republic, as well as five Afghans were arrested during the past three days alone. As a rule, the violators put up armed resistance to the border guards. The command of the special task force noted that besides Tajiks, people from other neighbouring countries of the Commonwealth, particularly from Uzbekistan, are also trying to cross over to Afghanistan in search for weapons. Border guards have recently arrested two men from Andizhan region who, togher with some Tajiks, tried to illegally sneak into Afghanistan.

Protest Made Over Turkish Television Broadcasts

LD2108180492 Dushanbe Radio Dushanbe Network in Tajik 0000 GMT 21 Aug 92

[Text] The residents of Kala-i Khum Rayon condemn an initiative by the republican government on broadcasting programs from Turkish television. Listeners: We now draw your attention to a telephone report from our correspondent, Haydarsho Mullokhuja:

[Mullokhuja] As we all know, starting today, programs from Turkish television should be shown throughout the territory of our republic, compulsorily and without any public referendum, in accordance with a behind-the-scenes agreements by Communications Minister Usmonov and other officials.

The people of Darwaz Rayon and all the people of Badakhshan are surprised about the fact that Minister Usmonov, to this day, cannot find funds for broadcasting programs from Tajik television to Tajiks in Gorno-Badakhshan. They are amazed that our esteemed minister has managed to find funds for broadcasting programs from Turkish television. As a sincere son of the nation, with thus auspicious act, he is taking us once again to the pan-Turkist era. [sentence as heard]

The only aim of a meeting held this morning at a [word indistinct] in the center of Darwaz Rayon was to discuss this agreement. The meeting noted that the agreements by the republican communications minister on broadcasting Turkish television have caused anxiety among all our staff. We think this is a new treachery against our very weak and small nation. If Usmonov regards himself as caring about the nation and if he has any concern about the [words indistinct], then why is he not making any efforts to broadcast Iranian and Afghan television, whose languages are understood by all Tajiks. All these efforts by Usmonov are perhaps for the $10,000 he has been promised. That is why the future of the nation means nothing to him.

Armenia

Nagorno-Karabakh Ready To Suspend Operations

LD2508173292 Moscow ITAR-TASS in English 1458 GMT 25 Aug 92

[By ITAR-TASS correspondent]

[Text] Moscow August 25—The authorities of Nagorno-Karabakh in Stepanakert have confirmed their readiness to give a final consent to the appeal of the CSCE Minsk group to suspend combat operations, the press secretary of Karabakh's parliament, Gegam Bagdasaryan, told a correspondent of the Russian-Armenia "Pro-Armenia" information centre on Tuesday [25 August].

He voiced apprehension "that the ruling circles of Azerbaijan will use political and military methods to prevent [Mario] Rafaelli from arriving in the capital of Nagorno-Karabakh. This will not promote the success of a constructive dialogue between the conflicting sides," the "Pro-Armenia" centre reported.

Defense Minister on Yerevan, Baku Arms Supplies

LD2608084192 Moscow ITAR-TASS in English 0614 GMT 26 Aug 92

[By ITAR-TASS correspondent]

[Text] Moscow August 26 TASS—Armenia's and Azerbaijan's stocks of armaments will suffice for many years ahead, Vagan Shirkhanyan, adviser to the president of Armenia on defence affairs, told NEZAVISIMAYA GAZETA (The Independent Newspaper). Together with Armenian Defence Minister Vazgen Sarkisyan, he answered the newspaper's questions about the conflict between Armenia and Azerbaijan over Nagorno-Karabakh.

"Since Azerbaijan and now Armenia get armed through Russia, we from the very outset suggested a zero parity of armaments: no weapons to either side and the most stringent control," Shirkhanyan said.

"Since Russia's approach turned out to be different (although CIS leaders signed a collective security treaty), a large amount of weapons was turned over to Azerbaijan while a transfer of hardware to Armenia was being delayed. Then Armenia suggested adhering to just a parity of weapons. The Azerbaijani Army is now far ahead in the provision of up-to-date heavy armament".

Touching upon brutality being displayed from both sides, Sarkisyan remarked that "brutality breeds brutality and one can reach the limit in this respect." Discussing the problem of the use of mercenaries, the Armenian defence minister and the presidential adviser drew attention to the fact that one can understand the involvement of an Azerbaijani, considering that "he has his own interests to uphold", whereas one just cannot understand a Slavic or a Chechen mercenary who fight for the sake of monetary reward, which is immoral".

"In Karabakh, there are mixed forces but there are no mercenaries fighting on Armenia's side. There are only volunteers". "Ninety-nine fighters in Karabakh are Karabakh nationals. Azerbaijanis every time treat this with distrust due to the fact that such a small ethnic group numbering 200,000 is capable of fighting against such a force".

Yerevan Radio Updates Fighting, Casualties

NC2508190992 Yerevan Radio Yerevan in Azeri 1330 GMT 25 Aug 92

[Text] Dear listeners: We now present a report on the latest developments in the Nagorno-Karabakh Republic [NKR] and Armenia's border rayons.

It would not be incorrect to say that the agreement concluded between the Lachin Autonomous Republic [Lachin Mukhtar Respublikasi] and Armenia was the most important development in the last few days. The agreement was necessitated by the vital needs in the area. The internal [words indistinct]. A relative peace has prevailed in this part of the border. It must be noted that the sides will comply with the provisions of the agreement and the firing will be completely halted [words indistinct].

Regrettably, the situation on the other parts of the border is tense as combat operations continue. The Azerbaijani usurpationists are firing on Armenian cities and towns on the border with various types of arms.

As a rule, the neighboring republic is trying to blame Armenia for the fighting. In addition, it is using its mass media to convince the Azerbaijani people that Armenia is the aggressor. On the contrary, armed Azerbaijanis and Azerbaijan National Army units are organizing the attacks and raids. The facts we will bring to your attention will confirm this.

The Armenian Defense Ministry Press Center has disclosed that an armed Azerbaijani group violated Armenia's state border and penetrated the grain fields of [word indistinct] in Tavushskiy Rayon on 23 August. However, they were confronted by Armenian fighters. The enemy was unable to resist the intensive fire and were forced to retreat. Eight of the brigands fell in the battlefield. One Armenian fighter was slightly wounded.

Krasnoselskiy Rayon continues to be one of the most tense areas on the border as exchanges of fire and clashes continue unabated there due to the occupation of Artsvashen by Azerbaijani units. Vakhan and [word indistinct] and the Armenian defense positions in Krasnoselskiy Rayon were shelled by Azerbaijani military units with artillery guns the previous night and yesterday morning. Border guards took retaliatory measures and the exchange of fire ended at about 0600.

The enemy fired on the border areas in Kapanskiy Rayon yesterday. (And), (Trashen), (Sagaped), [word indistinct], and Shikakhokh were the enemy targets. The

Armenian forces returned the fire in an effort to silence the enemy firing positions. There were dead and wounded on both sides.

Combat operations are continuing in the NKR. However, the strength of the attacks Azerbaijan's usurpationist army have launched to capture the residential areas in the region has weakened. The Armenian self-defense forces are warding off all enemy attacks and forcing the enemy units to retreat from their positions. The enemy's superiority in manpower and military equipment has not yielded the expected result. The Armenians, who fight for their homeland, have always been superior. The people of Artsakh [Nagorno-Karabakh] have been successfully defending their territory. The reports we have received from the battlefront have confirmed this once again.

Clashes occurred in Mardakertskiy [Agdere] Rayon last night and this morning. Armenian self-defense forces warded off Azerbaijani attacks and forced the enemy units to withdraw in the direction of Mekhmana. The enemy lost 70 men on the battlefield in the past two days. The Armenians had eight men killed and one wounded.

Meanwhile, the Armenian self-defense forces have maintained their advance on the Sarsang water reservoir. Violent clashes are taking place in that area. The Azerbaijani units [words indistinct] in the areas they have occupied.

The Azerbaijani brigands subjected the residential areas in Askeranskiy and Gadrutskiy Rayons to rocket and artillery fire on 24 August. A resident was killed and three others were wounded in Edilli, Gadrutskiy Rayon. [passage indistinct]

It has been ascertained that the Azerbaijani troops in Agdamskiy Rayon have been stricken by an epidemic. The affected troops should be examined and treated. However, medieval methods have been used to prevent the epidemic from spreading. Thirty-one of the sick soldiers have been shot. This was revealed by Vagif Azizov and Evgenyy Konstantinov, who were taken prisoner in clashes some time ago. [passage indistinct]

We wish to note that the Armenian side has provided medical aid to captured Azerbaijani officers and men, several of whom have been saved by Armenian surgeons. What more can be expected from the Azerbaijani usurpationists, who treat their officers and men like this? Nevertheless, the war continues to claim lives on both sides. It must be pointed out that Armenians are dying in the war they wage for their homeland. However, Azerbaijanis are being killed for the sake of the occupation of Nagorno-Karabakh, which is an Armenian territory.

Ukrainian Pilot Threatened With Execution

OW2508213092 Moscow INTERFAX in English 1900 GMT 25 Aug 92

[Item transmitted via KYODO]

[Text] The staff of advisor to the Armenian president on matters of national security Ashot Manucharyan reported to INTERFAX's correspondent that the pilot who was shot down turned out to be Ukrainian, not Russian. He is a mercenary. According to Gagik Davtyan, the head of Manucharyan's information service, he is threatened by the only realistic and logical option - execution, since that is their policy on mercenaries. They do not fall under the Geneva Convention, especially since Karabakh is currently under a state of emergency. But even regardless of that, he would face execution. Ukrainian officials have not yet sent representatives in association with this incident and it is unknown whether attempts of this sort have been made.

Bread, Sugar, Cigarettes in Short Supply

LD2508190792 Moscow Programma Radio Odin Network in Russian 1500 GMT 25 Aug 92

[Text] In Armenia in the last few days people have had to start forming breadlines at 0500. The lucky ones might receive the two allocated loaves by 1000. Speaking on television yesterday, the minister of food and state purchasing explained that the bread shortages were caused by the situation in Abkhazia, where trains with flour bound for Armenia are prevented from leaving.

Talking about the deficit, the minister said that ration cards for sugar and cigarettes will be introduced on 1 September. The Cabinet of Ministers established precise quantities today: half a kilo of sugar and four packs of cigarettes per person per month.

Arutyunyan Rejects New Confederative State Idea

MK2508120892 Moscow NEZAVISIMAYA GAZETA in Russian 22 Aug 92 p 3

[Armen Khanbabyan report on Armenian Vice-President Arutyunyan news conference headlined "IMF and International Development Bank Do Not Consider Armenia a Burden"]

[Text] Having returned from a two week trip to the U.S., Armenian Vice President Gagik Arutyunyan gave a news conference in Yerevan, where he talked about his successful work in realizing the treaties which had been concluded earlier between Yerevan and Washington on trade and capital investment. The latter will soon permit the flow of foreign capital to the republic, while the U.S. government guarantees defense of private investment. Talks in the IMF and the International Bank for Reconstruction and Development [IBRD] discussed the question of their participation in reconstructing earthquake zones. Agreement in principle was attained on investment in reconstruction work. In Arutyunyan's words, the IMF and IBRD experts did not hide from him that the organizations' acceptance of Armenia as a member had previously been evaluated with sufficient skepticism because it is under a blockade and conducting a war. After becoming acquainted with programs and practical steps on transferring the Armenian economy to a market

basis, however, this opinion completely changed. Moreover, the experts as well as the leadership of the IMF and IBRD formed the impression that Armenia profitably stands out from the republics of the former Union namely in the specific nature of its reforms. The participation of Armenia in the work of the IMF and IBRD, therefore, does not currently appear to them as a burden and is even welcome, in that it will help these organizations create a model of economic reform for the countries of the former USSR and the socialist camp.

The vice president said all this with a certain amount of pride, in that it was under his Armenian premiership that the law on privatization and destatization of state facilities was recently passed by the parliament. The vice president additionally stated that agreement was attained on supplying the republic with humanitarian and food aid, and the amount of credit which will be given to Armenia to obtain grain was discussed. The vice president said that the two week trip to America had convinced him that people there had an extremely vague notion about the real state of affairs and processes taking place in Armenia and Nagorno Karabakh. Nevertheless, the American government's official condemnation of the Azerbaijanis for the seizure of the Armenian enclave Artsvashen was voiced during the course of the visit. Responding to a NEZAVISIMAYA GAZETA question relating to the latest idea of Mikhail Gorbachev and Kazakhstan President Nursultan Nazarbayev on the possibility of creating a new confederative state on the basis of the CIS, Gagik Arutyunyan called it not only senseless but also extremely dangerous. He noted that Armenia speaks out and has always spoken out for strengthening the Commonwealth's unified economic zone, seeing it as an objective necessity. Definite mechanisms to regulate mutual responsibility inside the Commonwealth are needed, he said, however the attempt to revive a unified state not only does not help to strengthen the CIS, but could become a reason for the untimely end of the Commonwealth, in that it will completely scare off its present members.

Azerbaijan

Minsk Conference Chairman Proposes Cease-Fire

LD2508172792 Moscow ITAR-TASS in English 1457 GMT 25 Aug 92

[By AZERINFORM correspondent Khalil Imanov for TASS]

[Text] Baku August 25 TASS—Chairman of the Minsk conference on Nagorno-Karabakh Mario Rafaelli, currently on a visit to Baku, said on Tuesday [25 August] he believed that the conflicting sides would accept their proposal and create conditions for the arrival of military observers.

On Tuesday, Rafaelli handed in an official written appeal to Azerbaijan's President Abdulfaz Elchibey to achieve a 60-days cease-fire agreement in the conflict zone in order to create the necessary conditions for the arrival of the first group of military observers in the area. That will be the first step on the way to the settlement of the conflict and lay the basis for the beginning of a full-fledged negotiating process, Rafaelli said.

Later in the day Rafaelli departed to Yerevan. He will hand in a similar appeal to the Armenian President Levon Ter-Petrosyan and meet with representatives of the Armenian community of Nagorno-Karabakh. Previously, Rafaelli had met in Moscow with representatives of the Azerbaijani community of Karabakh.

Baku Updates Military Gains, Clashes

NC2508185792 Baku Radio Baku Network in Azeri 1700 GMT 25 Aug 92

[Text] The Azerbaijani Defense Ministry's Analytical Information Center has issued the following disclosure:

The Azerbaijani Armed Forces are engaged in fierce fighting with the Armenian expeditionary corps units in the northern part of Karabakh. Our fighters liberated Kazanchi in the southeastern part of Agdere [Mardakertskiy] Rayon from enemy occupation last night. An enemy Grad rocket launcher, an infantry combat vehicle, and a truck loaded with military equipment were destroyed in clashes near Gyulyatag, Mekhmane, and Drmbon.

Our artillery units were active in Kubatlinskiy Rayon yesterday, destroying enemy positions that have been constantly firing on Zangelanskiy Rayon for the past three days. The situation in Kubatlinskiy and Zangelanskiy Rayons is currently peaceful.

Our artillery units disabled an armored personnel carrier in which several Armenians were attempting to cross the Lachin corridor last night. A number of Armenians were killed in the incident. Our fighters fully control [word indistinct] and Kharalar in Lachinskiy Rayon.

Alibeyli in Tauzskiy Rayon and several towns in Agdamskiy Rayon were fired on from Armenia last night. Fizulinskiy Rayon was fired on with various types of arms as well.

The situation in Kazakhskiy, Akstafa, Kedabekskiy, and Dzhebrailskiy Rayons was relatively peaceful last night.

Elchibey Analyzes Presidency's First 3 Months

OW2508195692 Moscow INTERFAX in English 1800 GMT 25 Aug 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—transmitted via KYODO]

[Text] President Abulfaz Elchibey made a televised statement in connection with the 1st anniversary of the meeting of solidarity with the Russian people's victory

over those who had staged the coup in Moscow. Organized in late August last year by Azerbaijan's Popular Front, the meeting was dispersed by the authorities.

That day, the President said, when "the communist leadership used the entire might of its repressive machinery against the demonstrators, marked the beginning of a new phase in the national liberation movement. The line-up of forces began to swiftly shift in favor of the Popular Front, and finally the Front's representative won the June elections", said Elchibey.

In the brief period of their stay in power the new leaders managed: to avert the threat of a civil war and stop the disintegration of government structures, above all the law-enforcement agencies, by neutralizing criminal armed groupings, the President said.

According to him, three forces helped to make it possible: the democrats who rallied behind the Popular Front, "the women of Azerbaijan" and the intellectuals "who used to be unjustifiably subjected to criticism for apathy". The efficient work of the Interior Ministry made it possible to re-establish order in Baku, said Elchibey.

With reference to the future of the law-enforcement agencies the President pointed out that the main function of the National Security Ministry will be intelligence, counter-intelligence and protection of national interests. That ministry will no longer engage in surveillance over individuals", he promised. The Defence Ministry and the national army are in a stage of forming, he said. According to the President, the regular and volunteer units now number some 15,000 men.

The leader of Azerbaijan singled out the following priorities on the road of reforms: radical reorganization of the state machinery, the soonest drafting of bills on privatization and land reform (they are to be submitted to the parliament within a couple of months), reform in the system of financing culture with sharp cuts in subsidies for cultural institutions which will be free from government supervision. Reforms in the system of education will be given special attention. "We intend to challenge corruption in the system of education in the first place", the President stressed. "With this aim in view young people will be admitted to educational institutions on the basis of tests". "The total worth of unseemly transactions in the process of admittance to schools of higher learning makes up billions of rubles annually", Elchibey said.

He described the introduction of Azerbaijan's own monetary unit, manat, as an important factor for strengthening the republic's economic independence, and expressed hope that this measure will make it possible to upset to some extent the trend toward disproportional price growth.

IF [INTERFAX] note: In the past 6 months the prices increased 8-fold, while the average wages only 2- or 3-fold.

The President mentioned the countries with which Azerbaijan intends to develop equitable relations in the first place: Britain, Germany, Russia, the USA, Iran. He also mentioned his intention to call for creating an organization for economic cooperation between the countries belonging to the Caspian Sea area. In the first half of September, the President said, he is planning to pay an official visit to Turkey, and join the U.N. General Assembly session on September 23.

A. Elchibey qualified as erroneous the conclusions based solely on separate incidents that there are anti-Azerbaijani sentiments in Russia and anti-Russian in Azerbaijan.

With reference to the need to protect the freedom of the press he pointed out that "no one should be placed beyond criticism: neither the president, nor the prime minister, nor the government; however principled polemics should not be replaced by attempts to square accounts".

80 Military Students Sent to Turkey for Training

NC2508152792 Baku ASSA-IRADA in English 1214 GMT 25 Aug 92

[Text] Baku, 25.08.92 (ASSA-IRADA)—Today 80 students of Baku High Commanders Training School are going to Turkey for a 5-year training period to become highly-qualified officers-commanders of motorized infantry and communications, tank and artillery officers and pilots. Last Sunday, August 23, they were administered to the oath of enlistment under national flag of Azerbaijan. Under the accords, Turkish side will bear all the expenses concerning training of Azeri officers while the corresponding Russian schools required out of the world sum for the similar kind of service. The BAKINSKIY RABOCHIY republican newspaper reported.

Georgia

Reportage Continues Coverage of Abkhazia Events

Cossacks Condemn Georgian Policy

LD2508114892 Moscow Programma Radio Odin Network in Russian 1100 GMT 25 Aug 92

[Text] The national patriotic organization, the Russian National Assembly, and also the Grand United Circle of Cossacks [Bolshoy Obyedinennyy Krug Kazakov] today published a sharp statement condemning the policy in Abkhazia of the Georgian State Council and Eduard Shevardnadze in person. They demand that the troops of the Georgian State Council be immediately withdrawn from Abkhazia and that talks begin with the legitimate leadership of the Abkhaz Republic.

The press center of the Russian National Assembly has also circulated a message from the Grand United Circle of Cossacks to Boris Yeltsin and Eduard Shevardnadze in which the cossacks threaten that they will not remain

detached observers, but will take decisive steps to protect the Slav population in Abkhazia, including cossacks. This was reported by ITAR-TASS.

Mountain Peoples Issue Decree

MK2508184992 Moscow NEZAVISIMAYA GAZETA in Russian 25 Aug 92 p 1

["Decree of Musa Shanibov, President of the Confederation of Mountain Peoples of the Caucasus, and Yusup Soslambekov, CMPC Parliament chairman"; place and date not given; under "Document" rubric]

[Text] Because all measures for a peaceful resolution to the withdrawal of Georgia's occupying forces from the territory of sovereign Abkhazia have been exhausted, and to implement the resolution of the CMPC [Confederation of Mountain Peoples of the Caucasus] parliament's 10th session, we decree that:

1. All the Confederation's staffs are to ensure the transfer of volunteers to Abkhazian territory for armed resistance against the aggressors.

2. All the Confederation's armed formations, on encountering opposition from any forces, are to engage in combat and get through to Abkhazian territory by any methods.

3. The city of Tbilisi is declared a disaster zone. In this context all methods, including terrorist acts, are to be used.

4. All persons of Georgian nationality on the Confederation's territory are declared hostages.

5. All freight destined for Georgia and all types of transfer [perebroska] are to be detained.

Commander Vows To 'Annihilate' Abkhazians

LD2508160292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 25 Aug 92

["Novosti" newscast video report by S. Pokryshkin]

[Text] Speaking on Sukhumi television at 1300 today, Karkarashvili, commander of the State Council troops in Abkhazia, gave an ultimatum to the Abkhaz leadership and the irregulars. According to him, fresh units from many Georgian towns are arriving in Sukhumi. They will go on the offensive at 1300 tomorrow if the Abkhaz units do not cease their resistance. The commander also promised as follows: First - and I quote—to leave the entire Abkhaz nation without descendants; and, second, to sacrifice 100,000 Georgians to annihilate 97,000 Abkhazians, which is almost all of them.

In the meantime, the troops of the Georgian State Council continue firing on positions of Abkhaz irregulars from tanks and heavy guns at the village of Esheri, not far from Sukhumi, where the frontline passes at the moment. The village itself has been severely damaged. At least 30 houses have already been destroyed. This house, which belongs to a Georgian, was hit this morning.

[Man] I have lived here in Abkhazia for 22 years. No one has tried to chase me out. We live like brothers. No one has offended anyone else. Why this tragedy? Why have they attacked us?

[Pokryshkin] The village residents are trying to escape to a Russian military unit for safety, but there is no safe haven there. Shells are also landing on its territory.

State Council Discusses Situation

OW2508204992 Moscow INTERFAX in English 1857 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] The Georgian State Council discussed the situation in Abkhazia at today's meeting in the first place. The State Council chairman, Eduard Shevardnadze, called it "very difficult" and said that, to his regret, the Abkhazian leadership did not come back to Sukhumi and made no attempt to start a dialogue.

Eduard Shevardnadze also said that so-called members of the North Caucasus volunteer corps continue to sneak onto Georgia's territory which is a gross intervention into Georgia's internal affairs. As he pointed out, the decision of the State Council to start preparation for mobilization in order to repel the armed aggression of the Caucasian Peoples' Confederation has been widely welcomed throughout the republic. Together with levying reservists, the government holds an enrollment of volunteers for "defence forces" locally.

The State Council [chairman] said he kept permanent contacts with the Russian leadership and pointed out Russia's decisive role in the settlement of the conflict in Abkhazia. He also said that he had two telephone talks with President Boris Yeltsin. "We have reached an agreement that Russia will be responsible for the protection of its border with Georgia so that it would be closed for armed gangs from the North Caucasus sneaking onto our territory", said Eduard Shevardnadze.

The two countries have reached a principal agreement to hold a meeting between the Georgian State Council chairman and the Russian president. "We think that the meeting would be much more useful, if leaders of North Caucasus' republics, including, of course, Abkhazia, will take part", said the State Council chairman.

Speaking over the ultimatum advanced by Georgiy Karkarashvili, commander of the Georgian armed forces in Abkhazia, to the Abkhazian Council's chairman, Eduard Shevardnadze said that during yesterday's meeting between the Georgian armed forces' command and Abkhazian leadership representatives, the Abkhazian side opened fire. Georgiy Karkarashvili, who told Eduard Shevardnadze of the incident, was asked to tell Vladislav Ardzinba that in case incidents like this

happen the Georgian army will be given an order to march to Gagra through Gudauta. The Abkhazian leadership asked Georgia to refrain from such a step which could lead to another bloodshed. Thus, Karkarashvili advanced the ultimatum, demanding that Vladislav Ardzinba should resign, on his own initiative. This step was not authorized by the Georgian leadership.

Shevardnadze: 1 Million To Defend Georgia

LD2508220192 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2000 GMT 25 Aug 92

[Video report from the "Novosti" newscast]

[Text] Two hours ago our special correspondent reported that Georgian troops had orders during yesterday's offensive not to take prisoners.

At a session of the Georgian State Council which is continuing at this moment, Eduard Shevardnadze stated that 25,000 officers could be called up from the reserves. If necessary—I quote—up to 1 million people could come to the defense of Georgia's territorial integrity.

According to NEGA News Agency, on 28 August in Moscow President Yeltsin is to meet Shevardnadze and Ardzinba. Leaders of the republics and oblasts of the North Caucasus region will take part in the meeting.

According to our information, some organizations belonging to the Confederation of Mountain Peoples of the Caucasus are ready to come out with an initiative suspending the force of the federative treaty because they disagree with Russia's position on the Georgian-Abkhazian conflict.

Boris Yeltsin spoke by telephone on 25 August with Kabardino-Balkaria President Valeriy Kokov. NEGA reports that Yeltsin said he will personally get involved with the settlement of the situation in Abkhazia and intends to make an appeal to all the sides involved on ending the bloodshed.

Our special correspondent, Sergey Pokryshkin, has just telephoned to say that because of the fighting, the whole coast of Abkhazia has been left without light from Novyy Afon to Leselidze.

Abkhazia Wants To Attend Talks

LD2508220292 Moscow Radio Rossii Network in Russian 1600 GMT 25 Aug 92

[Text] It has been announced in Moscow that in the next few days there will be a working meeting between President Boris Yeltsin and Eduard Shevardnadze, chairman of the Georgian State Council, on the situation in the Transcaucasus and Abkhazia. According to ITAR-TASS, Abkhazia is also stating its right to attend the meeting.

Armenians Send Message to Ter-Petrosyan

OW2508221292 Moscow INTERFAX in English 1859 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] The information center of the Dashnaktsutyun revolutionary party reports that the Armenian community of Abkhazia directed a message to President Levon Ter-Petrosyan and the Supreme Soviet of Armenia. The message points out that the over 100,000 thousand Armenians living in Abkhazia are faced with the threat of either physical destruction or a new wave of emigration due to the intensification ofthe situation after the arrival of Georgian troops.

The appeal discussed Georgia's use of military force against Armenians and their forcing of Armenians into emigration. The Armenian community of Abkhazia urged that steps be taken to prevent the formation of Armenian pogroms and a new wave of refugees. Specifically, it proposes political and diplomatic means of influencing Georgia, so that its leadership adheres to the Democratic principles proclaimed to it.

200 Georgians Taken Hostage

OW2508204392 Moscow INTERFAX in English 1856 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] According to a statement of the Georgian mission in Moscow, Abkhazians have taken hostages 200 Georgians among the local people and those resting in Pitsunda. The press center warns that the same fate is waiting for Russians, Armenians and other people in case they do not struggle against the Georgian State Council.

Russian Border Guard Housing Attacked

LD2608082592 Moscow ITAR-TASS in English 0801 GMT 26 Aug 92

[By ITAR-TASS correspondent Yevgeniy Znamenskiy]

[Text] Moscow August 26 TASS—Unidentified men attacked on Tuesday [25 August] a guarded dwelling house belonging to officers of the Russian border guard force deployed in Sukhumi.

ITAR-TASS was told at the press centre of the Russian border guard forces that the Russian servicemen had to answer the fire, killing two attackers and wounding four others. There were no casualties among the border guards and members of their families.

Georgian Troops Killed in Gagra Attack

LD2608083692 Moscow Radio Rossii Network in Russian 0800 GMT 26 Aug 92

[Text] An INTERFAX correspondent has been told at the Abkhaz Internal Affairs Ministry that at about 2200 yesterday, the Abkhaz guard, supported by volunteers from the Confederation of Caucasus Mountain Peoples, began an attack on Gagra. There were several hundred Georgian guardsmen in the town. According to preliminary figures, dozens of Georgian troops were killed and wounded as a result of the fighting.

The Abkhaz Internal Affairs Ministry reports that the State Council troops are running out of ammunition. A request for immediate assistance has reached the headquarters of Georgian forces in Sukhumi from Gagra. According to INTERFAX, several ships were sent to Gagra this morning carrying equipment and ammunition for the Georgian units.

State of Emergency Declared in Tbilisi

LD2608090692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0800 GMT 26 Aug 92

["Novosti" newscast telephone report by correspondent V. Mezentsev from Georgia]

[Text] The storming of Gudauta will start at 1300 [0900 GMT] today when the ultimatum presented to the Abkhaz leadership by the Georgian State Council expires. Vladislav Ardzinba has categorically refused to attend talks while there are State Council troops on Abkhaz territory. A state of emergency has been declared in Tbilisi. The monitoring of roads in peaceful Adzharia is being intensified during entry into the autonomous republic. Adzharian Internal Affairs employees are being sent from Batumi to Poti to maintain public order.

It has been reported to me here, by military circles, that troops of the Transcaucasian Military District have not been put on alert. However, all the divisions stationed here in the Caucasus have been on heightened combat readiness for a year already.

Ardzinba on Ultimatum's 'Fascist Tone'

LD2608105992 Moscow ITAR-TASS in English 1044 GMT 26 Aug 92

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi August 26 TASS—Abkhazian Parliament Speaker Vladislav Ardzinba said the Georgian ultimatum forwarded to him is written in a "fascist tone".

"The ultimatum shows once again that the Georgian State Council wants to continue the bloodshed and intends to solve political problems by force", Ardzinba said in his reply on Wednesday [26 August].

Commander of Georgian troops in Abkhazia Georgiy Karkarashvili demanded that Ardzinba resign or face a Georgian strike.

The Abkhazian speaker noted the "fascist tone of Karkarashvili's ultimatum in which he promises to eliminate the whole Abkhazian people and calls on his troops not to take prisoners of war", according to the reply circulated by the press centre of the Abkhazian parliament.

The deadline of the ultimatum expired at 13.00 hours, however, no active military activities were undertaken by Georgian troops, according to reports from Sukhumi.

Estonia

Ambassador Rebuked for Remarks on Sea Border

LD2608135392 Helsinki Suomen Yleisradio Network in Finnish 1300 GMT 26 Aug 92

[Text] The Estonian Government refutes the statement made yesterday by Ambassador Lennart Meri concerning the sea border between Finland and Estonia. According to the Estonian Government, Estonia notified Finland of the border issue back in the spring.

At his news conference yesterday, Ambassador Meri wondered why the Estonian Government had not notified the Finnish Government of its decision to extend Estonia's sea territory to 12 nautical miles. The Estonian Government says in its statement that Meri has exceeded his authority in giving false information.

Ruutel Meets With German Official

OW2508133492 Moscow BALTFAX in English 1317 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] Chairman of the Estonian Supreme Council Arnold Ruutel received head of secretariat of the German Chancellor, Herr Andreas Meyer-Landrut, in his office yesterday.

The press service of the Estonian chairman of the Supreme Council informed Baltfax that the parties were addressing the issues of the countries' bilateral cooperation and the withdrawal of the Russian troops from the territory of the republic.

Cultural Affairs Minister on Pact With Russia

92P20380A Helsinki HELSINGIN SANOMAT in Finnish 9 Aug p B 6

[Unattributed article: "Estonia Promises To Support Russian Culture—and Russia To Support Estonian"]

[Text] The tense relations between the Estonian and Russian populations are not reflected in speeches by Cultural Affairs Minister Mart Kubo. He has just returned from Moscow, where the first cultural cooperation treaty between Estonia and Russia was signed. According to it, Estonia will support Russian culture in Estonia, and Russia will support Estonian culture in Russia.

The Russian-language section of the formerly state-owned publishing house, Eesti Raamat, has already been converted into a private firm under the name Aleksandra. Russian-language cultural institutions are getting aid from the Government of Estonia, as is the Russian theater.

"We are supporting local cultural organizations without regard to language. For example, cultural activity in Russian areas of eastern Estonia is primarily Russian." Kubo believes that the mutual influence of Russian and Estonian cultures on each other will be beneficial. He notes, however, that Estonia does not intend to promote the establishment of a little Russian culture, but instead, it wants the Russian immigrants remaining in Estonia to play a role within the cultural sphere of Estonia.

"For example, Russians should be given the opportunity to attend school in their own mother tongue. Russian-language textbooks should, however, be made in Estonia, so that the state has common curriculum policy."

Preliminary Ballot on Elections Set for Sep

LD2508185592 Tallinn Radio Estonia in English 1520 GMT 25 Aug 92

[Text] The Estonian Supreme Council decided to organize a preliminary ballot of the parliamentary and presidential elections on 5 September to 19 September. Permission for the preliminary ballot will be given by the territorial commission of the elections after having checked whether the voting premises are in accordance with the conditions set forth by the voting law of the State Assembly. Ballot boxes used in the preliminary elections will be opened on 20 September after the time for voting is up.

Delegation Visits Moscow for Economic Talks

LD2608085992 Moscow ITAR-TASS in English 1903 GMT 25 Aug 92

[By ETA-TASS correspondent]

[Text] Tallinn August 25 TASS—An Estonian governmental delegation led by the Estonian Economic Minister Olari Taalem left for Moscow on Tuesday [25 August] to hold talks with the governments of Russia and the city of Moscow.

Deputy Estonian Economic Minister Mart Opmann said before departure that the delegation was expected to meet with acting chairman of the Russian Government Yegor Gaydar. During the talks the sides will discuss a possible transition to an interstate free trade, bilateral economic agreements and settlement of mutual payments.

The Estonian economic minister believes mutual interstate debts should not impede settlement of payments bewteen enterprises. He said that the Estonian side was planning to reach an agreement on commodity exchange for 1993 and make a number of proposals to protect investments.

Latvia

Estonian Embassy Opens, Officials Hold Talks

LD2508155392 Riga Radio Riga Network in Latvian 0900 GMT 25 Aug 92

[Text] The Embassy of the Republic of Estonia was officially opened at 62 Liela Nometna Iela an hour ago.

Taking part in the ceremony was Estonian Foreign Minister Jaan Manitski, Estonian Defense Minister Ulo Uluots, Estonian Ambassador to Latvia Leili Utno, and the delegation accompanying them. Present on the Latvian side were Deputy Foreign Ministers Martins Virsis and Maris Gailis, Defense Minister Talavs Jundzis, his deputies Dainis Turlajs and Valdis Pavlovskis, and other officials.

The Estonian defense minister is now meeting the leadership of the Latvian Ministry of Defense. Afterward he will visit the Brothers' Cemetery and a unit of the Latvian Defense Forces. At 1730 there will be a news conference at the Latvian Ministry of Defense.

Armenian Foreign Minister Arrives for Visit

Meets With Jurkans

LD2308192492 Moscow Mayak Radio Network in Russian 1251 GMT 22 Aug 92

[Text] A protocol on the establishment of diplomatic relations between Latvia and Armenia was signed in Riga today. Here is our correspondent in Latvia, Inard Skujins.

[Skujins] Good afternoon. The document was signed by the ministers of foreign affairs of both states—Janis Jurkans and Raffi Hovannisian. It is planned to draw up in the near future a series of documents, of other documents on cooperation in the sphere of the economy and culture. A working group will also come to Riga to deal with practical matters regarding the opening of an Armenian embassy in Riga.

At the news conference, Raffi Hovannisian put forward, in detail, the position of his state on Nagorno-Karabakh. Armenia, in the minister's words, favors resolving the problems of Nagorno-Karabakh through talks. Armenia also supports the idea of creating an independent Republic of Nagorno-Karabakh because, in the words of the minister, all the necessary conditions exist for creating such a republic.

In reply to my question about the position of Russia in resolving that complex question, Raffi Hovannisian said that Russia is acting passively so far, despite the fact that there are agreements within the framework of the CIS obliging Russia to render assistance to Armenia. Hovannisian expressed the hope that Russia will be active at international forums and will promote in every way, the solution of that moot issue.

In reply to a question by journalists, Janis Jurkans, foreign minister of Latvia, said that he will recommend that this question should be discussed at the Commission for Foreign Affairs of the Supreme Soviet of Latvia, and in the opinion of Janis Jurkans, it would also be expedient to discuss that question at the Baltic Council, that is to say, at a meeting of the leaders of Latvia, Lithuania, and Estonia, and to elaborate a common policy for the Baltic states.

In conclusion, I would like to add that at the time of my report, the foreign minister is meeting representatives of the Armenian public living in Riga and tomorrow morning he will set off for Tallinn where a document on establishing diplomatic relations between Armenia and Estonia will be signed.

Further on Visit, Talks

NC2508172592 Yerevan Armenia's Radio First Program Network in Armenian 1730 GMT 24 Aug 92

[Text] Armenian Foreign Minister Raffi Hovannisian, who is on an official visit to the Baltic republics, met in Riga with Latvian Foreign Minister Janis Jurkans.

The Armenian Foreign Ministry Press Service reported that the ministers discussed the development of Armenian-Latvian relations and matters pertaining to Nagorno-Karabakh. The sides expressed the conviction that the will of the people of Nagorno-Karabakh and their rights to national self-determination must be taken into account when a solution is reached. The Latvian foreign minister noted that this matter will be raised at the Baltic Council and at the Latvian parliament.

Hovannisian and Jurkans signed a protocol establishing bilateral diplomatic relations and a joint communique on holding consultations between the respective Foreign Ministries.

The Armenian foreign minister also met in Riga with the chairman of the Foreign Relations Commission of the Latvian parliament and the representatives of the Armenian community in Latvia.

Hovannisian later met Estonian Foreign Minister Jaan Manitski in Tallin to discuss matters pertaining to Armenian-Estonian relations, the Nagorno-Karabakh problem, and the withdrawal of CIS troops from Estonia.

Hovannisian and Manitski signed a protocol establishing bilateral diplomatic relations before responding to reporters' question at a news conference. Manitski noted that the Estonian people know well what it means to struggle for national self-determination and human rights, and that these principles must be sought as a guide in trying to solve Nagorno-Karabakh problem.

Hovannisian also met with a state minister and the representatives of Estonia's Armenian community.

Russian Envoy on Foreign Troops Stability Factor

LD2408175692 Moscow ITAR-TASS in English 1659 GMT 24 Aug 92

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga August 24 TASS—"Foreign armed forces cannot be a guarantor of stability under present conditions in Latvia," the Russian Ambassador to Latvia Aleksandr Rannikh told TASS on Monday [24 August].

He added that he expected a more flexible reaction from the Latvian side to Moscow's proposals on the withdrawal of troops from the republic.

At a recent meeting of foreign ministers of Russia, Latvia, Estonia and Lithuania, Moscow put forward a proposal to guarantee human rights of the Russian speaking population by the governments of these former Soviet Republics as a condition for the withdrawal of Russian troops from the Baltic states.

This position of the Russian Government was accepted in the Baltic capitals as an interference in their internal affairs.

The ambassador said numerous letters were arriving reflecting people's fear of the unknown and concern about their future in Latvia.

"These people have found themselves outside their motherland without emigrating anywhere, and their concern about their rights is quite understandable," the Russian ambassador said.

Defense Ministers Favor Baltic Defense Union

LD2608012592 Riga Radio Riga Network in Latvian 2000 GMT 25 Aug 92

[Text] During a news conference, journalists had an opportunity to acquaint themselves with the Estonian Defense Minister Ulo Uluots and Ants Laaneots, chief of staff of the republic's defense forces. The visitors informed those present about the situation in the Estonian Armed Forces. Estonia has assigned three percent of the funds of the state budget to defense needs—that is 42 million kroons. This sum does not include guarding of the borders. By comparison, Latvia assigns 3.9 percent to defense, plus one percent for border guarding needs. The defense ministers of both Latvia and Estonia agreed that these funds are not sufficient to provide the Army with everything necessary. They also agreed on the view that the Baltic countries must form a union [savieniba] in matters of defense in order, as necessary, to be able to defend themselves against an enemy. The fact that in 1940 the Baltic states did not fight against the occupation by USSR forces was regarded by the Estonian defense minister as a political mistake.

3 Bills Adopted at Supreme Council Meeting

LD2508212292 Riga Radio Riga Network in Latvian 1730 GMT 25 Aug 92

[Excerpt] Today the Supreme Council adopted three bills on the third reading. The arrangements were laid down whereby the Supreme Council will organize its work until the convening of the Saeima. Amendments and supplements were made to the law of the Republic of Latvia on the work of private enterprises, farms and individuals, as well as a bill on amendments and additions to the Latvian criminal code, and the Latvian code of administrative offenses. The deputies adopted a resolution on the law of the Republic of Latvia on the register of inhabitants, and examined a bill on the extension of the period of powers for the Council of Ministers of the Republic of Latvia for the improvement of supplies of foodstuffs to the inhabitants.

The deputies listened to information from the government and the Bank of Latvia on ensuring the means of payment for grain purchases. [passage omitted]

State Archives Take Over KGB Records

LD2608014192 Riga Radio Riga Network in Latvian 2000 GMT 24 Aug 92

[Text] On 24 August, 40,000 (?filtration) cases from the former USSR KGB archives were taken over by the Latvian State Archives. Now all people who have not received information about their kinsfolk from Russia up to 1991, may turn to the Latvian State Archive at Bezdeligu iela 1.

Lithuania

Gaydar Suggests Bilateral Trade, Credit Talks

WS1908085592 Vilnius ELTA News Bulletin in English 1422 GMT 18 Aug 92

[From ELTA "News Bulletin" No. 58]

[Text] The Government of Lithuania received an official telegram from Yegor Gaydar, first deputy premier of the Russian Federation, in which the Russian Government suggests holding bilateral talks from August 18 to September 15 on the following three items: determination of major principles of trade between the two countries, and the establishment of trade missions; financial, credit relations and payments; also economic and commercial cooperation in 1993.

The telegram emphasizes the need for a speedy settlement of the above problems. It is suggested that the expert groups should meet in Moscow on August 28 so that the heads of the Lithuanian and Russian Governments could sign the agreement in the first half of September. The telegram also informs that the draft agreements have been dispatched. The Lithuanian Government has not received them yet.

The proposals of the Russian Government are a puzzle, for talks on financial credit and payment relations have been going on since July 7, true have not been very successful. In addition the items proposed for negotiations are included in the agenda of the state delegations headed by ceslovas Stankevicius, deputy chairman of the Supreme Council of Lithuania, and Viktor Isakov, envoy for extraordinary affairs of the Russian Federation. Does the telegram of the Russian Government mean that everything is to start from the very beginning?

Lithuania, Russia Issue Communique on Talks

WA1908171392 Vilnius ELTA News Bulletin in English 0613 GMT 14 Aug 92

["Communique of the Negotiations Between the Lithuanian and Russian Delegations"; from ELTA "News Bulletin" No. 56]

[Text] The second round of talks between the delegations of the Republic of Lithuania and the Russian Federation took place in Vilnius on 11-12 August 1992. They went on in a frank and businesslike atmosphere.

Both sides exchanged their views on problems of mutual interest in the spheres of economical, social and humanitarian relations.

Some progress has been noted in the preparation of agreements based on the 29 July 1991 treaty between the Republic of Lithuania and the Russian Federation on principles of the interstate relations.

The delegations discussed the issues related to the tlme-table and terms of the ex-USSR, now the Russian troops' withdrawal from the territory of the Republic of Lithuania. [sentence as received]

The Russian side specified the proposals submitted by the minister of foreign affairs of the Russian Federation during his talks with the foreign ministers of Lithuania, Latvia and Estonia in Moscow on August 6 and confirmed the readiness to complete the pullout of the Russian troops in 1994 on the ground of bilateral agreements.

Adhering to its formerly submitted proposals concerning the withdrawal of the foreign armed forces from its territory, the Lithuanian side holds the opinion that in drawing up the time-table for the ex-USSR, now the Russian troops withdrawal, it is indispensable to take into account the will of the people of Lithuania expressed in the nationwide referendum of June 14, 1992.

Government Plans To Purchase Russian Warships

OW2508133692 Moscow BALTFAX in English 1318 GMT 25 Aug 92

[Transmitted via KYODO]

[Text] The chief of staff of the Baltic Navy, Admiral Grishanov, said in an interview for the Russian weekly "ARGUMENTY I FAKTY" ("FACTS AND ARGUMENT") that the Russian Navy is planning to sell several warships to Lithuania which would comprise the backbone of the republic's national navy. In the admiral's words, the monies raised thereby in Russia will be spent on a housing program for the Russian officers. In addition, the admiral maintained, Lithuania intends to allocate construction materials and provide workers for effecting housing construction program.

In commenting on the admiral's interview in the Lithuanian national daily "RESPUBLIKA", head of the republic's Home Guard Ministry Mr. Butkevicius admitted that "the negotiations indeed were taking place in that regard", and Lithuania is really planning to purchase a coast guard ship. In the meantime, Mr. Butkevicius denied that the parties ever discussed any options for Lithuania's allocating to Russia construction materials or providing workers for building houses for the Russian officers.

Landsbergis on Russian Troop Withdrawal Talks

WS1908085092 Vilnius ELTA News Bulletin in English 1422 GMT 18 Aug 92

[From ELTA "News Bulletin" No. 58]

[Text] In the regular Sunday TV show "The Stance of the Head of the State" Vytautas Landsbergis made a number of comments on last week's talks with Russia:

"Lithuania's main achievement is that the talks have at last started. Before last week it was all evasion and delay. Now we have not only our own schedule for the withdrawal of the Russian Army, but also certain proposals on the Russian side. Some of their proposals made in Moscow sounded like demands and attempts to impose their own terms on Lithuania. Now this aspect has been made clear: Lithuania will not accept any conditions, the Russian troops must be withdrawn unconditionally. We are ready to discuss the schedule and certain technical problems. The Russian side, in their turn, consider that they have made a step toward agreement. It is really a step forward. But only the very first step".